Daily Report

East Asia

FBIS-EAS-90-054
Tuesday
20 March 1990

Daily Report
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FBIS-EAS-90-054 *20 March 1990*

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Japan

Japan Gives in to 'U.S. Pressure' Over Project

OW1703133690 Tokyo KYODO in English 1257 GMT 17 Mar 90

[Text] Tokyo, March 17 KYODO—Japan will give in to U.S. pressure and drop Nippon Telegraph and Telephone Corp. (NTT) from a government-sponsored satellite development project, government sources said Saturday. This paves the way for NTT to purchase satellites freely on the international market, as requested by the United States. Japan will soon convey the decision to the U.S., hoping to settle a dispute over trade in satellites by the end of March, the sources said.

The U.S. has singled out Japan as having employed unfair trade practices in satellites, supercomputers, and forest products, threatening to impose sanctions under the so-called Super 301 clause of the 1988 trade act.

NTT was originally scheduled to invest 67.5 billion yen and the government 22.5 billion yen in the CS-4 satellite development project. Japan was to launch two CS-4 satellites in fiscal years 1994 and 1995.

Washington voiced dissatisfaction with the project, saying the Japanese Government was protecting specific domestic industries by preventing the private sector from procuring satellites freely.

Prime Minister Toshiki Kaifu instructed two cabinet ministers concerned earlier this week to work out a substantive response to U.S. requests to settle the satellite dispute.

Kaifu Seeks 'Decisive Step' in SII Talks

OW1903142590 Tokyo KYODO in English 1357 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—Prime Minister Toshiki Kaifu said Monday that he would like "to take a decisive step" in resolving issues raised during the Structural Impediments Initiative (SII) talks with the United States.

Kaifu's remarks came during his meeting with top business leaders held at a hotel here to discuss ways of breaking the impasse on the SII talks, according to a member of the business community who attended the gathering. The top business heads supported the prime minister by saying the government should "boldly adopt measures that would help to resolve the issues raised even if those measures meant hurting the nation," he said.

The meeting was attended by Federation of Economic Organizations (Keidanren) Chairman Eishiro Saito, Japan Chamber of Commerce and Industry President Rokuro Ishikawa, Japan Federation of Employers' Association (Nikkeiren) President Eiji Suzuki, Japan Association of Corporate Executives (Keizai Doyukai) Chairman Takashi Ishihara and Kansai Economic Federation (Kankeiren) President Osamu Uno.

Kaifu on Defense Policy, U.S. Presence

OW1903141190 Tokyo KYODO in English 1128 GMT 19 Mar 90

[Text] Manila, March 19, KYODO—Japanese Prime Minister Toshiki Kaifu has indicated support for the retention of U.S. strategic bases in the Philippines, saying America's military presence contributes to peace and stability in the region.

In an interview published Monday in the PHILIPPINE STAR, Kaifu also reiterated that Japan would not feel impelled to rearm if Manila rejects an extension of the lease on the U.S. bases after it expires in 1991. "Basically, this is a bilateral matter between the United States and the Philippines," said Kaifu, when asked about his government's attitude toward the U.S. bases in the country. "Generally speaking, however, I consider that the U.S. military presence in the Asia-Pacific region contributes to the maintenance of peace and stability in this area." Preliminary talks on the fate of the two key air and naval bases and four other minor facilities are expected to begin in mid-April.

"Japan's fundamental defense policy under its peace-oriented constitution is to maintain an exclusively defensive posture and not to develop into a military power that could pose a threat to other countries," Kaifu said. "This policy of Japan shall firmly be maintained in the future." Kaifu made his remarks in a seven-page written reply to questions posed by STAR publisher Maximo Soliven. "The basic aim of Japan's defense policy is to prevent aggression of our country by possessing an adequate defense capability of our own," he said.

In the same interview, Kaifu said he intends to pursue efforts "to bring about a major breakthrough" in Japanese-Soviet relations by deepening and expanding dialogue between the two countries. He cited visits to Tokyo by Soviet Foreign Minister Eduard Shevardnadze later this year and Soviet President Mikhail Gorbachev in 1991. "We sincerely aspire to normalize Japanese-Soviet relations as soon as possible by settling the northern territories issue and signing a peace treaty," Kaifu said. "This would benefit both Japan and the Soviet Union and, I believe, contribute to the peace and stability of the Asia-Pacific region and also to the further improvement of East-West relations."

Kaifu also declared that "Japan will maintain a position of extending as much support as possible to the government of President Corazon Aquino in its nation-building efforts." He pointed to Japan's large official development assistance to the Philippines, its strong support to the multilateral assistance program, and its investments in the country, which rank as the second-highest next to the United States.

Defense Chief on U.S. Bases in Okinawa

OW1703065090 Naha RYUKYU SHIMPO in Japanese 16 Mar 90 Morning Edition p 1

[Text] Defense Agency Director General Yozo Ishikawa granted an interview on 15 March to a RYUKYU SHIMPO reporter for the first time since he took office. Regarding the U.S. military bases issue in Okinawa, he said: "We have no plans to review the security treaty. However, we want to promote the realignment of the bases as a basic policy. If our nation does not tackle the issue with a firm goal, but only with the conventional policy, the realignment will not materialize." Thus, he indicated a positive posture on realignment.

Commenting on the remarks made by U.S. Secretary of Defense Cheney, during his visit to Japan, about U.S. plans to cut U.S. troops in Asia he said: "I heard that the United States plans to reduce its forces in Asia by more than 10 percent in the next 3 years. However, I do not think that it will affect Japan's defense policy. If the United States advances a specific plan, we will study it and deal firmly with it." As to the relationship between the U.S. plan to reduce its troops in Asia and the issue of the realignment of U.S. forces in Okinawa, he said: "The pace of realignment has been slow. Since 75 percent of U.S. forces in Japan are in Okinawa, realignment should be implemented in accordance with a basic policy. With regard to practical matters, our nation can not do anything unless it tackles them not only with policy, but with a firm goal. He thus indicated a positive posture on resolving the realignment issue. Asked whether he plans to implement realignment by reviewing the security treaty, he said: "I think that the return of U.S. bases in Okinawa will materialize within the existing framework without having to resort to a review of the security treaty involving a policy shift. As some military facilities are to be returned under an agreement between Japan and the United States, we should carry out the agreement step by step."

Central Bank Injects New Money Into System

OW2003033390 Tokyo KYODO in English 0123 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—The Bank of Japan (BOJ) injected 1.35 trillion yen in fresh liquidity into the banking system Tuesday in a move viewed by market sources as signaling a hike in the official discount rate. The central bank bought 700 billion yen in Commercial Paper (CP) and lent 650 billion yen to private banks at the present discount rate, which stands at 4.25 percent, money brokers said. The rate at which the BOJ purchased the CP was 6.88 percent.

"We've taken the operation as a sign of another discount rate hike," one market source said. The BOJ is widely expected to raise the rate it charges on lending to private financial institutions by a full percentage point to 5.25 percent later in the day, effective immediately.

The ample supply of cash and the level of the buying operation for CP suggested the central bank's intention to prevent rates from surging further, said an official of a major Japanese commercial bank.

Raises Discount Rate 1 Percent

OW2003034290 Tokyo KYODO in English 0323 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—The Bank of Japan (BOJ) raised its official discount rate Tuesday by a full percentage point to 5.25 percent per annum, effective immediately, the central bank announced. The decision, formalized at a special policy-making board meeting in the morning, came against the background of growing inflationary pressures, the yen's continued decline, and a stock market slump. The increase in the base lending rate, which the central bank charges on loans to commercial banks, was the fourth in 10 months, following its last hike on December 25 by half a percentage point to 4.25 percent.

The central bank said the rate increase is intended to curb inflationary pressures, heightened by the yen's prolonged weakness against the U.S. currency. The bank also took the action amid signs of a rise in the prices of manufactured goods due to an acute labor shortage and expected hefty pay increases in the annual spring wage negotiations, which it warned could spark inflationary expectations. Currency dealers, however, said the market appears to have discounted a full percentage point rate hike and the long-awaited action will not provide much help to the sagging yen.

To Increase Currency Intervention

OW1903130590 Tokyo KYODO in English 1019 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—A senior Bank of Japan official, responding to the dollar's surge above 153 yen in currency markets, voiced determination Monday to step up dollar-selling intervention by doing it in overseas markets. "We'll strength coordination with monetary authorities in other nations and take decisive action," the official said on condition of anonymity. Calling the dollar's strength inconsistent with Japan's strong economic fundamentals, the official blamed it on speculative movements.

Asked about the possibility of the yen going into a tailspin, the official said he does not see it happening as Monday's fall of the yen is reported to have been caused by overseas operators who sold yen on a sharp drop in stock prices on the Tokyo Stock Exchange. In Tokyo, the dollar closed at 153.55 yen Monday, the highest level in nearly three years and 1.05 yen above Friday's close here.

Kaifu on Rate Hike

OW2003074190 Tokyo KYODO in English 0646 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—Prime Minister Toshiki Kaifu welcomed the Bank of Japan's [BOJ] latest hike in its official discount rate Tuesday, calling it a

"timely decision." Kaifu told reporters that the base rate increase should help stabilize the recent volatile movements of the yen and stock prices. He added that the volatility has nothing to do with Japan's strong economic fundamentals. Kaifu made the comment after the central bank announced its decision to raise the discount rate by a full percentage point to 5.25 percent per annum, effective immediately.

Finance Minister Ryutaro Hashimoto also welcomed the BOJ's action, saying it will contribute to the stability of financial markets and help sustain noninflationary growth led by domestic demand.

International Trade and Industry Minister Kabun Muto said in a statement that the discount rate hike is a justifiable move and expressed hope that it will dispel uncertainty in financial markets. "I understand the rate hike is based on the BOJ's comprehensive assessment of domestic and overseas economic conditions. And I believe it should have been done," he said.

Hideyuki Aizawa, director general of the Economic Planning Agency, issued a statement expressing hope that the BOJ's action will help contribute to ensuring stability in financial markets and continued economic growth with strong domestic demand.

Business Leaders React

OW2003084290 Tokyo KYODO in English 0756 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—Business leaders showed a mixed reaction to the Bank of Japan's [BOJ] hike in its official discount rate Tuesday.

Eiishiro Saito, chairman of the Federation of Economic Organizations (Keidanren), applauded it as a timely action that will help keep inflation under control and bring foreign exchange rates to appropriate levels. Saito said he is optimistic about the impact of the move on the economy, adding that the basic trend of the economy is strong.

Eiji Suzuki, president of the Japan Federation of Employers Association (Nikkeiren), took a negative view of the base rate increase, though he called it "inevitable." "With the latest hike, a period of low interest rates is over," Suzuki said in expressing fears of the negative effects of high interest rates on business activity. "We're now facing increasing worries about the bad effects of a weaker yen, higher interest rates, and higher crude oil prices on the Japanese economy," he said.

Takashi Ishihara, president of the Japan Association of Corporate Executives (Keizai Doyukai), said the central bank action had been taken too late. "It stands to reason, but the timing of it is too late," Ishihara said in remarks apparently referring to the recent rapid fall of the yen against the dollar.

Business leaders called in chorus for economic policies designed to keep sustained growth without inflation.

Suzuki said: "It's desirable that the government and the BOJ adopt appropriate policies to ensure sustained economic growth led by domestic demand without inflation."

Saito, meanwhile, said that in order to achieve sustained economic growth, due attention must be paid to adopting the right kind of economic policies.

BOJ Governor Explains Hike

OW2003084390 Tokyo KYODO in English 0807 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—Bank of Japan [BOJ] Governor Yasushi Mieno said Tuesday the central bank's hike in the official discount rate was aimed at boosting the impact of three previous rate increases in its continued attempts to prevent inflation. Mieno told reporters the decision, based on "comprehensive considerations," was designed to sustain the present noninflationary economic growth and not to slow down the pace of expansion. Mieno said the scale of the rate hike was determined on the basis of prevailing interest rate levels and termed the action "timely." At a press conference, Mieno also said he hopes the discount rate hike will bring about stability in the currency and capital markets, both of which are still showing volatility.

Earlier in the day, the central bank announced its decision to raise the key interest rate by a full percentage point to 5.25 percent from 4.25 percent, effective immediately. A rate hike by a full percentage point was the highest since March 1980, when a 1.75 point hike lifted the base rate to 9 percent. The fourth rate hike in 10 months represents the bank's resolve to prop up the sagging yen and lessen the likelihood of a resurgence of inflation, the central bank chief said. The latest hike in the discount rate, charged on loans to commercial banks, follows a 0.50 point rate hike on December 25.

Mieno stressed the action reflects the BOJ's readiness to take an appropriate and flexible stance to ensure price stability at home, which he called the bank's most important objective in monetary policy. Mieno, along with other central bank officials, has repeatedly voiced concern about heightening inflationary pressures caused by the yen's prolonged weakness and high money supply growth pace.

The bank was also worried that signs of an uptrend in the prices of manufactured goods against the background of higher crude oil prices, coupled with an acute labor shortage and increased wage demands in forthcoming labor - management negotiations, would spark inflation. Despite rising money market rates, Mieno had cautiously avoided referring to a rate increase since December. In his recent remarks, he had given no indication of an immediate rise in the BOJ's "policy rate." But many analysts said his stance had created a sense of uncertainty among market participants over the bank's interest rate policy, causing a "triple weakness" in stock and bond markets and the yen. The widespread speculation of an imminent rate hike had led to market

confusion, weakening the Japanese currency and driving stock prices in a key index down nearly 20 percent this year, analysts said. The central bank had continuously said it saw no fundamental reason for such an exaggerated fall in stock prices and the yen's value. The yen fell to a three-year low at the 153 yen line against the U.S. dollar in Tokyo currency dealings the previous day.

Many market experts remained skeptical about the effects of the 1 point rate hike on the currency market and predicted the market might seek a further increase to fend off continuing uncertainty. Mieno emphasized that the bank will be flexible in its future monetary policy, while cautiously avoiding reference to a possible further increase in the discount rate.

In response to a reporter's question, Mieno flatly denied the possibility that the discount rate increase would spark a chain reaction of rate hikes throughout Europe and the United States. He described the bank's move as a "contribution to the policy of monetary stability and antiinflationary action" being pursued by the authorities, brushing aside the view that the hike might choke economic growth.

Market players said the yen is likely to remain under pressure in the immediate future at a time when growing expectations of a monetary union between two Germanys helped boost the value of the West German mark against other major currencies. Rising West German interest rates also helped put the mark in the spotlight in currency dealings, at least for the time being, exerting pressure on the Japanese yen, they said.

At the press conference, Mieno, known to favor tighter monetary constraints, defended his decision as a preemptive move against an increasing threat of inflation. But economists generally felt a 1 point hike in the discount rate would mean the beginning of a full-scale credit-tightening move by the bank, marking a clear departure from its protracted accommodative credit stance.

Fair Trade Chairman on Antimonopoly Law Change

OW2003111990 Tokyo KYODO in English 1038 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—Fair Trade Commission Chairman Setsuo Umezawa on Tuesday hinted at a possible revision of the Antimonopoly Law, including an increase in the penalty charges on illegal cartels, commission officials said. "It is desirable for the commission to review the current level of the penalty, possibly for a raise," Umezawa was quoted as saying. The remarks were made in a meeting of an advisory panel to the chairman on the committee's antitrust policy, the officials said.

Augmenting the antimonopoly law is one of the requests the U.S. has made in the ongoing bilateral trade talks aimed at altering structural causes for Japan's huge trade surplus with the U.S. Although Japan's antitrust laws are similar to those of the U.S., Japan pursues far fewer anticompetitive cases than the U.S. does. The penalties for violating the laws also are far lower in Japan. U.S. negotiators have claimed that Japan's relative leniency toward monopolistic trade practices allow established companies to discriminate against newcomers. In the face of U.S. pressure concerning the issue, the Japanese cabinet has reportedly agreed to give more resources to the commission and increase the antimonopoly penalty from the current average of 1.5 percent of profits.

Umezawa's remarks, however, indicate as an apparent about-face on the issue. He has recently said the commission did not plan to change its Antimonopoly Law despite a strong call from the U.S. to strengthen it. "We have no intention of changing the law," he said in a recent press conference.

The U.S. told Japan in the Structural Impediments Initiative (SII) talks last August that it wanted more strict enforcement of its Antimonopoly Law, when it filed a five-point request for structural reforms. The U.S. said its companies in Japan have been suffering unfair treatment such as bid-rigging and exclusive procurement practices by Japanese enterprises. U.S. officials also said Japan's lax antimonopoly administration is the biggest cause of exclusive practices by Japanese enterprises.

The Japanese Government last weekend compiled its draft proposal in response to the U.S. requests, which included increasing antitrust surcharges and stricter enforcement of the law.

Umezawa's latest remarks are an indication that the government may stiffen the law against unfair business practices. The Fair Trade Commission chairman, however, emphasized that the "framework" of the Antimonopoly Law should not be changed, according to the officials.

The advisory panel to the commission has been discussing the commission's antimonopoly policy since last September and is scheduled to release a report in June. The panel also discussed boosting the enforcement powers of the commission. The meeting further looked into interference by manufacturers in the pricing practices of wholesalers and retailers which hamper fair and free price competition among distributors, according to the officials. "Continuous" transactions with specific partners and the acitivities of industry organizations were also examined, they added.

Later in the day, Umezawa said the commission would welcome a government decision to raise the surcharge the Antimonopoly Law imposes on anticompetition business actions, clarifying some remarks of his quoted earlier in the day. "If, only if, the government decides to raise the surcharge, we would welcome it in that it would boost the commission's power to clamp down on unfair practices," Umezawa said in a hastily prepared press conference.

Umezawa first referred to a surcharge hike in a meeting with an advisory panel to the commission. He stressed that the current law is sufficient to deal with any unfair

practices only if the enforcements are improved. "The level of restrictions provided in the law is on a par with any of its counterparts in major industrialized countries," he said.

The panel is working on a systematic guideline that spells out a case-by-case enforcement policy for the law which it is scheduled to release in June.

Need Seen for Hashimoto Visit to U.S for Talks

OW1903173890 Tokyo KYODO in English 1206 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—A senior Finance Ministry official emphasized the need Monday for Finance Minister Ryutaro Hashimoto to visit the United States soon for talks with Treasury Secretary Nicholas Brady. "There would be many topics on the agenda at his meeting with Brady," the official said on condition of anonymity.

Among other things, the official cited ongoing Structural Impediments Initiative (SII) talks, a ninth increase in capital resources at the International Monetary Fund, the European Bank for Reconstruction and Development, resumption of World Bank lending to China and foreign exchange issues. The official said, however, that talks between Hashimoto and Brady will focus on monetary and financial issues facing the two nations rather than on SII issues. "The Finance Ministry is one of the three ministries chairing the Japanese side in SII talks .... [ellipses as received] We can't play a role in talking about all topics in SII talks," he said.

The possibility of Hashimoto visiting Washington emerged last week as former Prime Minister Noboru Takeshita said in Brasilia that Hashimoto should visit the United States this month to settle bilateral trade fricition. Takeshita told reporters traveling with him that Hashimoto should meet Brady to discuss Japan's public works spending, one of the areas involved in SII talks. Washington has urged Japan to boost its public spending to improve social infrastructures such as roads and housing to create more demand for imports. The official said, however, a final decision on Hashimoto's visit will not be made until Tuesday when Takeshita returns home from Brazil. "It should be decided upon after talks between Takeshita and Hashimoto," he said. Takeshita has a bigger voice in the government, heading the largest political faction within the ruling Liberal Democratic Party.

Deputy Foreign Minister To Hold Talks in U.S.

OW2003135390 Tokyo KYODO in English 1318 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—Japanese Deputy Foreign Minister Hisashi Owada will meet with the U.S. State Department's undersecretary for political affairs, Robert Kimmit, in Washington March 30 to discuss international political developments, the Foreign Ministry said Tuesday.

According to ministry sources, Owada and Kimmit will attend a meeting of high level government officials from the seven advanced nations in San Francisco March 23 - 25.

They will probably focus their talks on recent developments in the Soviet Union and Eastern Europe, with an eye on July's Houston summit of the leaders from the seven advanced nations, the sources said.

EPA Report Indicates Economy Still Expanding

OW2003014390 Tokyo KYODO in English 0016 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—Japan's economy remains on an expansionary track, reaching its 40th month of uninterrupted growth in March, the Government said Tuesday. In a monthly report, the Economic Planning Agency (EPA) said the main reasons for the current economic boom are continuously strong personal consumption and healthy capital spending both in the manufacturing and nonmanufacturing sectors. The 40-month growth stretch is the nation's third longest during the postwar period, following a 42-month economic boom in 1958-61 and a record 57-month expansion in 1965-70.

The report, presented by EPA Director General Hideyuku Aizawa at Tuesday's cabinet meeting, said personal consumption has been growing steadily, as shown by brisk sales at major retail stores nationwide, soaring sales of new motor vehicles, and booming Japanese tourism overseas. Corporate investment, meanwhile, is also on the rise. As of February 1, Japanese companies planned a 6.1 percent increase in their spending in plant and equipment in Fiscal 1990 beginning April 1. EPA officials said investment plans before the start of a new fiscal year are usually conservative, adding that the Fiscal 1990 figure is expected to be revised upward sharply and possibly exceed a 15.6 percent rise predicted for Fiscal 1989.

Japan's housing starts posted a 6.3 percent rise in January compared with a 0.6 percent increase in December as expectations of higher interest rates encouraged housing companies to boost construction rapidly, the report said. The sound economic expansion is also reflected in growing business earnings, both in the manufacturing and nonmanufacturing sectors, and in a low level of bankruptcy, the report said.

A set of leading economic indicators for February prepared by the EPA stood at 52, surpassing the so-called "boom-or-bust line" of 50. Any level above the line is seen as a sign of economic expansion in the near term, while any level below that is regarded as portending a slowdown of the economy. Prices were also stable, though the yen's sharp fall in value against the U.S. dollar has been putting pressure on import prices, the report said.

On the other hand, the economic boom has been squeezing the labor market. In January, there were 132 jobs for every 100 job seekers, unchanged from the preceding month, the report said.

On the trade front, Japan's merchandise trade surplus has been contracting despite seasonal ups and downs. Imports surged 7.0 percent in February from a year earlier, while exports showed a modest 1.9 percent gain.

The report also noted that the recent uptrend in interest rates was a major reason for the slump in the stock market. The closely watched market barometer Nikkei Stock Average has lost nearly 20 percent since the beginning of the year.

Small Shop Owners Oppose Change to Retail Law

OW2003011490 Tokyo KYODO in English 1131 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—Some 750 small shop owners on Monday opposed any plan to abolish or revise a law limiting the establishment of large-scale retail shops, which the United States says tend to prevent foreign firms from expanding sales in Japan. The opposition came in a resolution adopted at a meeting hastily called by two small retailers' groups—the Japan Federation of Shopping Centers (JFSC) and the Federation of Specialty Store Associations in Japan, federation officials said.

"Abolition or revision of the Large-Scale Retail Stores Law is a critical issue to small- and medium-scale retailers. We must not allow the Government to pledge an abolition or revision of it in structural trade talks with the United States," said Shoichi Yamamoto, chairman of the JFSC.

Change or abolition of the law is a key U.S. demand in negotiations under the so-called Structural Impediments Initiative (SII), with U.S. negotiators contending that the law hinders foreign stores trying to open in Japan as well as the opening of large Japanese stores that are likely to sell more imports than small ones.

Tokyo and Washington are scheduled to present an interim report on the SII talks in early April, in which the Japanese are reportedly planning to include measures aimed at revising the law to reduce to one year the period of time required to approve the opening of large stores. At present, it could take up to 10 years.

Michio Ochi, one of the five lawmakers from the ruling Liberal Democratic Party attending the gathering, pledged to take a careful approach to the issue. "We will tackle the issue carefully out of consideration of the voice of small retailers," Ochi said. "I don't know how the law will be handled in the interim report, but it's sure that no agreement has been reached on changing the law itself," he said.

The small retailers' groups plan to call a meeting of some 100,000 participants by this summer in their campaign against changing or abolishing the law, organizers said.

Temporary Budget Plan's Public Spending Neutral

OW2003115590 Tokyo KYODO in English 0902 GMT 20 Mar 90

[Text] Tokyo, March 20 KYODO—The government has come up with a plan to draft a provisional 10 trillion yen budget covering the first 50 days of fiscal 1990, government sources said Tuesday. The temporary budget comes in the face of a stall in Diet debate over the fiscal 1990 budget featuring general account outlays totaling 66,273.6 billion yen, which has made it necessary to work out a provisional budget before the new fiscal year sets in on April 1, they said.

Within the temporary appropriation, some 2 trillion yen will be set aside for public spending, about one-fourth the size of expenditures earmarked in the fiscal 1990 budget, the sources said. They also said the scale of provisional public spending is "neutral" to the economy and is decided upon out of consideration of steady economic growth. In other spending categories, tax grants to local governments and social security outlays will be heavily weighed in the temporary budget, the sources said.

The interim measure, agreed upon at a meeting of government and ruling Liberal Democratic Party leaders Monday, will be formally approved at a cabinet meeting on March 28, the sources said. The government plans to have the provisional budget passed through the Diet after debate in both lower and upper houses on March 29 and 30, the sources said.

USSR 'Preparing To Export' Space Technology

OW1903165690 Tokyo KYODO in English 1321 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—The Soviet Union is ready to provide Japan with its advanced space development technology, a top Soviet official in charge of the nation's space program said here on Monday. Alfred Shestakov, deputy minister of the Soviet Machine Building Ministry who arrived in Japan last Saturday, said Moscow is preparing to export its advanced space development technology to foreign companies in line with "perestroyka." Shestakov made a speech before business executives from Japanese space-related companies at a meeting in Tokyo sponsored by Horie Planning, a Japanese trading firm specializing in the space industry.

Horie purchased the Mir space station from the Soviet Union last October in an effort to promote domestic development in the field for what it termed a bargain price of 10 million U.S. dollars. The Mir station was later sold to a Japanese construction company in Hokkaido. A study of the Mir station is expected to provide the industry with valuable know-how on manned space flight.

In his speech, Shestakov said the plan to sell its advanced space products will include its launching vehicles such as the Energia, a life support system, and other technical

systems, all of which have been developed by the Soviet Union over the past 40 years.

Kaifu Describes GDR Election as 'Noteworthy'

OW1903051590 Tokyo KYODO in English 0355 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—Prime Minister Toshiki Kaifu said Monday the landslide victory by the tripartite Alliance for Germany in East Germany's first free election was an "extremely noteworthy result" because of the alliance's "positive attitude" toward early unification with West Germany.

Kaifu also told a group of reporters at his official residence that he notes West German Chancellor Helmut Kohl has said West Germany would negotiate with East Germany if a democratic government is established.

Sakamoto Comments

OW1903042490 Tokyo KYODO in English 0343 GMT 19 Mar 90

[Text] Tokyo, March 19 KYODO—Chief Cabinet Secretary Misoji Sakamoto said Monday Japan hopes the first free election in East Germany will stem the flow of citizens to West Germany, and promote stability in the East as the two Germanys prepare to unify. Sakamoto said the election was of "historical significance," and added he expects the formation of the new government will speed up talks on creating a unified Germany.

Early results showed an unexpected landslide victory for the conservative three-party Alliance for Germany, which gained 193 of the entire 400 seats in the People's Congress. "Japan supports the free will of the people to determine the path to a unified Germany," Sakamoto said in a prepared statement. "It is also necessary to guard the security of Europe," he said. "We will carefully follow the preparations for unification."

Japan To Repatriate Second Group of Chinese

OW2003115990 Tokyo KYODO in English 1119 GMT 20 Mar 90

[Text] Nagasaki, March 20 KYODO—A total of 491 Chinese who entered Japan posing as Indochinese refugees last year will be deported Thursday and sent back to their homeland, officials at the Omura Refugee Reception Center said Tuesday. Among the Chinese receiving notification of their compulsory repatriation Tuesday for entering Japan illegally were a baby born in January and his parents. All members of the group have been confirmed as Chinese nationals, officials said.

On Thursday, 13 buses will take the 491 would-be refugees from the Omura Center 30 kilometers north of Nagasaki to Nagasaki Port and a Chinese chartered passenger ship, the 7,889-ton Chang Bai, will be bound for Fuzhou, Fujian Province. Although more than half of the Chinese have said they would return home since they could not find work, Omura officials have arranged for 220 Nagasaki prefectural police to be on hand in the event of trouble.

The first group of 301 were deported to China without incident last December. At that time, the Justice Ministry determined that 1,668 Chinese nationals were not genuine refugees and had entered Japan illegally to seek employment.

Mongolia

Democratic Parties Calls on Batmonh To Remain

LD2003092890 East Berlin ADN International Service in German 0851 GMT 20 Mar 90

[Text] Ulaanbaatar (ADN)—At a meeting today in Sukhe Bator Square in the capital, the new democratic movements and parties in Mongolia have called upon Jambyn Batmonh, chairman of the Presidium of the People's Great Hural, to remain as head of state for the time being. In a critical situation he acted far-sightedly and was able to curb the ambitions of other forces which did not stop at criminal activity in order to preserve their privileges. This is noted in a message read at the rally, addressed to the meeting of the People's Great Hural beginning tomorrow. Batmonh should remain in office until the head of state can be elected democratically.

Parties Issue Declaration of National Unity

OW2003131690 Ulaanbaatar International Service in English 0910 GMT 20 Mar 90

[Text] The Mongolian Democratic Party, the Social Democratic Party, New Progressive Party, Mongolian Democratic Association, Social Democratic Movement, New Progressive Union, Union of Mongolian Students, Progressive Unity Front, and the Mongolian Revolutionary Youth Union have issued a declaration on national unity.

It says, in part, that today Mongolia is living through a period of national rebirth. In this historically responsible period, the democratic forces see that day to day in safeguarding the national unity the fate of the Mongol nation must not depend on anybody's [word indistinct] in any country's external interests, but be firmly preserved in the hands of the Mongolian people. The democratic forces are well aware of this and will strive to settle any questions in collaboration with any social causes [word indistinct], without any damage to the national unity.

None of the forces has the right to disturb the national unity, notes the declaration of democratic forces on national unity.

These democratic forces held a meeting on 20 March and issued a petition to the session of the People's Great Hural which opens on 21 March. It demands, in particular, that Mongolian parliamentarians take into account

their demand to leave Jambyn Batmonh as chairman of the presidium of the People's Great Hural.

Party Said To Have Made 'Fundamental Renewal'

OW2003110190 Ulaanbaatar International Service in English 0910 GMT 20 Mar 90

[Text] Lodongiyn Tudeb, one of five members of the newly elected Mongolian People's Revolutionary Party Central Committee Politburo, has met with the representatives of [words indistinct] and customs workers in Ulaanbaatar.

Speaking about the recent party plenary meeting, Mr. Tudeb said that it was, in fact, an extraordinary meeting, though it had not been announced as such. All members of the party Central Committee were unanimous to state that the party made fundamental renewal. The plenum thoroughly analyzed the present situation in the party and in society as a whole. They also said that the new Politburo staff had completely relinquished any privilege.

Mr. Tudeb noted that the time has come to save the party, the country, and the people's faith in ideas.

Politburo Member Oold Meets With Activists

OW2003115390 Ulaanbaatar International Service in English 0910 GMT 20 Mar 90

[Text] Another Mongolian People's Revolutionary Party Central Committee Politburo member, chairman of the party Control Committee, Mr. [Tsebeenjabyn] Oold, has met with activists of the party and state organizations of the (?October) District of Ulaanbaatar.

Analyzing the results of the recent party plenum, he qualified it as an event of particular significance in the party life and its renewal. According to Mr. Oold, elaboration and the implementation of the theoretical concept of the Mongolian People's Revolutionary Party is the party's paramount task today.

The new Politburo staff of the Mongolian People's Revolutionary Party Central Committee directs its activities at solving current problems, developing cooperation with all political forces, with aim to secure national unity, said Mr. Oold.

North Korea

MAC Member Demands Clarification on Tunnel

SK2003053790 Pyongyang KCNA in English 0511 GMT 20 Mar 90

[Text] Panmunjom March 20 (KCNA)—The senior member of our side to the Military Armistice Commission [MAC] today demanded that the senior member of the U.S. side come out to a meeting of the MAC and clarify in a responsible manner his official position on the dispatch of a large fact-finding group to the spot of the so-called "fourth tunnel" because it was proposed by our side at the meeting of the MAC and the senior members of both sides are duty-bound to solve the problem.

Maj. General Choe Ui-ung sent a telephone message to the senior member of the U.S. side, turning down the latter's proposal dated March 17 for holding the 498th secretaries' meeting to discuss the detailed points for the dispatch of a joint observer team.

At the 455th meeting of the Military Armistice Commission held on March 14, I strongly demanded that a large fact-finding group consisting of 60 people, that is, officials concerned of the Korean-Chinese side to the MAC including me and members of the joint observer team, experts for the investigation into the "tunnel" and journalists, as well as a certain number of assistants be allowed immediately to go by four helicopters of ours to the place where you claim the so-called "fourth tunnel" is located and carry out the investigation on the spot, Choe Ui-ung noted, adding:

You avoided a responsible reply, saying you would answer after "serious consideration."

But, in your latest telephone message, you again shunned our offer to dispatch a large fact-finding group and proposed sending a joint observer team consisting of a small number of people.

It is obvious to everyone that a joint observer team composed of a few persons cannot properly carry out a scientific and all-round investigation into the "tunnel" which is several hundred metres deep, even according to the announcement of your side.

Worse still, in your telephone message, you did not utter a word about the questions of principle concerning the field investigation such as conducting our fact-finding group by yourself, the senior member, inclusion of experts in the group and the use of four our helicopters in transporting it.

This means that your side virtually refused again our offer to dispatch a large-size fact-finding team.

If it is true, as your side claims, that the "fourth tunnel incident" has "something" to do with us, what are you so afraid of as to object to our proposal for the dispatch of a large-scale spot investigation team?

You intend to transfer to a meeting of secretaries the question of field investigation into the "fourth tunnel" over which the senior members of the two sides failed to reach an agreement at the MAC meeting, and this fully shows your insincere attitude and stand to evade your responsibility as the senior member of one side.

The secretaries are not entitled to discuss and solve such a problem as the "tunnel" incident.

This question must be discussed and solved at the senior member level. And you suggested holding a meeting of the secretaries in "camera" in case it would be held.

Judging from facts, your contention cannot be construed otherwise than an intention to mislead public opinion to believe that your side is interested in the investigation into the "tunnel" incident and to hatch up another plot while dragging on time.

The behaviour of your side also shows what great pains it is taking, afraid that the truth behind the "tunnel" incident shall be brought to light.

KCNA Continues Assailing Joint Maneuvers

Exercises Incite 'War Fever'

SK1903215390 Pyongyang KCNA in English 1515 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—The U.S. imperialist aggressors carried out a large-scale aerial war exercise on March 17 and 18 in the current attack stage of the adventurous "Team Spirit 90" joint maneuvers, inciting war fever against the North, military sources said.

The coordinated aerial strike exercise simulated support to the aggression units landing ashore in an area similar to the east coast of the northern half of Korea.

To stage the exercise like a real war, they brought six "B-52" strategic bombers to the air above the operational zone from Guam in those days.

Then they brought formations of Okinawa-based nuclear-capable "F-16" fighter-bombers above South Korea in a frantic bomb-dropping exercise simulating an attack on targets in the northern half of Korea in coordination with formations of the same type of planes belonging to the U.S. imperialist aggression airforce present in South Korea.

Hurled into this exercise were more than 70 planes of various types, including early warning and electronic jamming planes and refuelling tanks.

On March 17 and 18 they let Pacific-based "F-15" fighter-bombers and formations of "A-6" and "A-7" assault planes based on the ultra-large nuclear-powered carrier "Carl Vinson" fly above operational zones to cover ground attack units.

The planes of various types hurled into the "Team Spirit 90" maneuvers over March 17-18 numbered more than 900.

This proves that the U.S. imperialists are more recklessly trying to attain their aggressive design on the northern half of Korea at any cost.

'Dangerous Aspect' Assessed

SK2003045690 Pyongyang KCNA in English 0441 GMT 20 Mar 90

["Dark Cloud of Nuclear War"—KCNA headline]

[Text] Pyongyang March 20 (KCNA)—The "Team Spirit-90" joint military exercises in South Korea are assuming a more dangerous aspect with each passing day, says NODONG SINMUN in a signed commentary today. It continues:

The U.S. imperialists, having deployed huge armed forces and gone over to the exercises of general offensive operation to invade the North, staged large-scale landing operation exercises on March 14 and joint river-crossing exercises in the South Han River on March 15 and 16 with the mobilisation of the U.S. Second Infantry Division and a unit of the puppet ground force and other large armed forces.

They brought the aircraft carrier "Carl Vinson" and its flotilla in the waters east of Pohang on the 16th and 17th and let the carrier-based aircraft fly in the sky above the operation zone for a surprise strike exercise.

They massed submarines, destroyers and scores of other warships in the waters off Pusan and Pohang on March 16 to stage frantic naval attack exercises.

The U.S. imperialists and the South Korean puppets are staging almost everyday bomb-dropping exercises and air strike exercises simulating a surprise nuclear strike at the main targets in the depth of the northern half of Korea with the mobilisation of "B-52" strategic bombers and "F-16" fighter-bombers and fighters of various types and commando-dropping and river-crossing operational exercises in the areas similar to the terrain of the northern half of the country with the mobilisation of huge ground force, special units, motorised units and flying corps. The offensive operations to invade the North being staged on the ground and in the sky and the sea have led the situation on the Korean peninsula to the brink of war.

We are following the wildcat war game of the warmaniacs with heightened vigilance.

If the U.S. imperialists and the puppets ignite a war to invade the North in defiance of our warning, our people and People's Army will administer one hundred-fold, a thousand-fold retaliatory blow at the enemies.

'Test Nuclear War' Denounced

SK2003101390 Pyongyang KCNA in English 1006 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—The "Team Spirit" joint military maneuvers of the U.S. imperialists and the South Korean puppets are the final stage of the preparations for a war of aggression on the northern half of Korea and the Asian continent and a test nuclear war in which they watch for the best chance of "preemptive attack," says Mun Chu-ho, a military analyst, in an article to MINJU CHOSON today.

He cites the following facts to prove that the "Team Spirit" maneuvers are an adventurous nuclear attack exercise.

More than 1,000 pieces of nuclear weapons are now deployed in South Korea, or four times their density in the NATO nations.

The U.S. imperialists, however, are bringing in nuclear-capable fighter-bombers and ground-to-ground missiles and even neutron bombs called "devilish weapon" and "most shuddering destruction weapon" for the "Team Spirit" maneuvers.

While bringing fighter planes and arms capable of nuclear attack in South Korea, they have flown the nuclear commanding plane "E-4B" in the "Team Spirit" maneuvers since 1987 for the practicability of the pre-emptive nuclear attack.

Since 1978, they have shipped ground-to-ground nuclear missile "lance" and mobilized large numbers of nuclear-capable artillery pieces already deployed in South Korea such as 155-mm howitzers and 203.2-mm howitzers in the maneuvers.

They do not confine themselves to introducing nuclear weapons in South Korea.

They have included the Korean peninsula in the "Class A zone" eligible for the use of nuclear weapons, defined the peninsula as a "strategic vantage" and worked out an operational plan oriented to nuclear attack.

They have set up a flawless command communication system for a nuclear war on the Korean peninsula and simplified the procedures for the use of nuclear weapons so that the nuclear button may be pressed any time by decision of the U.S. President and the commander of the U.S. imperialist aggression forces in South Korea.

Having thoroughly completed the nuclear war preparations from the deployment of nuclear weapons to the commanding system, they are staging "Team Spirit" maneuvers in order to examine the practical operation and effectiveness of the action and gear all the military actions from the operational planning to the real war to the purpose of "preemptive nuclear attack."

It is not fortuitous that a foreign publication described the "Team Spirit" maneuvers as a "test war" and "preliminary war" to examine and round off the preparedness of the armed forces for a "preemptive attack" on the northern half of Korea.

The military analyst warns that if the U.S. imperialists and the South Korean puppets unleash a war, going against the trend of the times, the Korean people will annihilate the aggressors and defend peace and security of the country.

Rallies, Meetings Oppose U.S.-ROK Maneuvers

So Yun-sok Speaks at Rally

SK2003054990 Pyongyang Domestic Service in Korean 0000 GMT 16 Mar 90

[Speech by So Yun-sok, member of the Political Bureau of the Central Committee of the Workers Party of Korea (WPK), secretary of the South Pyongan Provincial Party Committee, and chairman of the South Pyongan Provincial People's Committee, at a mass rally denouncing the "Team Spirit-90" joint military exercise; date and place not given—recorded with announcer's summary]

[Text] [Begin So Yun-sok recording] The U.S. imperialists and the South Korean puppet clique are conducting the provocative "Team Spirit-90" joint military exercise, despite strong denunciations and rejection by public opinion at home and abroad. This notably strains the situation in our country, and is bringing on the dark clouds of a dangerous nuclear war.

To cope with this grave situation, the Supreme Commander of the Korean People's Army [KPA] on 27 February issued an order to all units of the KPA, the Korean People's Security Forces, and all members of the Red Worker-Peasant Militia to further heighten their revolutionary vigilance and get fully combat ready. This order is a proper self-defensive step for firmly defending our socialist fatherland and revolutionary gains from the provocative military maneuvers of the U.S. imperialists and the South Korean puppet clique. It also is an important step toward checking in advance the aggressors' scheme for provoking war. It is an expression of the firm will and the revolutionary stance of our people and the KPA for punishing the enemies by resolute counterattack.

I believe that the KPA Supreme Commander's order is a most just and active measure for preventing the danger of war that has been created by the reckless "Team Spirit-90" joint military exercise commotions of the U.S. imperialists and the South Korean puppet clique. The order also is important for defending peace in the country and security in Asia and the world, and for fully supporting it with the participants in this mass rally.

The war rehearsal conducted this year by the U.S. imperialists and the South Korean puppet clique is an intolerable challenge to our serious and sincere efforts to ease tensions and secure peace on the Korean peninsula, as well as to the aspirations of the people of the world who desire a peaceful settlement of the Korean question.

As is well known to the world, the WPK and the DPRK Government, in an endeavor to ease the tense situation on the Korean peninsula created by the U.S. imperialists and the South Korean puppet clique and to promote peaceful reunification, have put forward a number of peace proposals in recent years alone, and have made every sincere effort for their realization. In particular, in this first year of the nineties, the respected and beloved leader Comrade Kim Il-song put forth a proposal for

peaceful reunification to pull down the concrete wall built in South Korea, reflecting the urgent desire of the entire nation for reunification, for realizing free visits, and for the North and the South to totally open themselves up. He called for the convocation of a consultative conference by the authorities, which would be participated in by the highest level authorities of the North and the South, as well as the heads of the political parties.

At a time when this epochal proposal is evoking warm support and consensus at home and abroad, the U.S. imperialists and the South Korean puppet clique are perpetrating a provocative large-scale war rehearsal, challenging head on our serious peace efforts. This clearly shows their aggressive scheme to throw a wet blanket over our people's yearning for reunification, which is rising higher with each passing day, to apply a brake to the ongoing multi-channel dialogues between the North and the South, and to light the fuse of a new nuclear war. I sternly denounce the reckless maneuvers of the U.S. imperialists and the South Korean puppets for conducting the "Team Spirit" joint military exercise at a time when the desire of the entire nation for reunification is heightened more than ever. Because these maneuvers come at a time when we are accelerating efforts for peaceful reunification, I denounce them as unpardonable crime of negating dialogue between the North and South. Moreover, these maneuvers are blocking the alleviation of tensions and peaceful reunification. They are an antinational and antipeace war provocation act aimed at making our nation fall victim to a nuclear war. [chanting of slogans] [end recording]

The speaker then stressed that the U.S. imperialists and the South Korean puppet clique should squarely see the firm will and indomitable spirit of our people. He added that our people have risen up as one person with a sheer desire to crush the aggressors by upholding the KPA Supreme Commander's order. He concluded by calling on the U.S. imperialists and the South Korean puppets to act with discretion and call off the reckless new war rehearsal immediately.

Maneuvers Labeled 'Criminal Act'

SK2003041890 Pyongyang KCNA in English 0406 GMT 20 Mar 90

["'Team-Spirit 90' Under Fire"—KCNA headline]

[Text] Pyongyang March 20 (KCNA)—If the U.S. imperialists and the South Korean puppets dare to unleash a war against the North, our revolutionary armed forces and entire people will deal an annihilating retaliatory blow at the enemy and the warmaniacs are sure to suffer a disgraceful defeat, warned the speakers at the meetings denouncing the "Team Spirit-90" joint military exercises held in Kangwon and South Hwanghae Provinces.

The U.S. imperialists and the South Korean puppet clique are bringing about dark clouds of a dangerous nuclear war by starting the provocative "Team Spirit-90" against the northern half of Korea with the mobilization of huge armed forces and nuclear missiles, strategic fighter-bombers, aircraft carriers and other latest-type offensive means of war which are enough to undertake a war, they said, and continued:

Getting into full stride, the military exercises have assumed more bellicose and vicious nature.

At the same time, they said, the South Korean puppets faked up the so-called "fourth tunnel incident" and kicked up a malicious anti-DPRK campaign in conspiracy with the U.S. imperialists.

The speakers bitterly condemned the reckless moves of the U.S. imperialists and the South Korean puppets in having started the "Team Spirit-90" and kicked up the anti-communist confrontation racket, branding them as a never-to-be-condoned criminal act barring detente and peaceful reunification and anti-national, anti-peaceful new war provocation moves to put our nation on the altar of a nuclear war.

Groups in Japan Decry Maneuvers

SK1903061890 Pyongyang KCNA in English 0533 GMT 19 Mar 90

[Text] Tokyo March 17 (KNS-KCNA)—A Kanto meeting of Koreans in Japan against the "Team Spirit 90" and for the frustration of the anti-democratic, anti-reunification merger of three parties was held in Tokyo on March 11 under the cosponsorship of the "Alliance of South Koreans in Japan for Democracy and Unification" (Hantongnyon), the "South Korean Youth League in Japan" (Hanchongdong) and the "Union of South Korean Students in Japan" (Hanhaktong).

The keynote report at the meeting said that the "Team Spirit 90" military exercises are aimed at maintaining the structure of the cold war and freezing the system of division on the Korean peninsula and the three-party merger was designed for the stability of the system of the U.S. imperialists' neo-colonial domination.

It expressed the resolution to successfully hold an all-nation meeting for thwarting the South Korean puppets' scheme to get "membership of the United Nations," having the U.S. imperialist aggression forces and nuclear weapons withdrawn from South Korea, frustrating the three-party merger by the pro-U.S. fascist forces and achieving national reunification in the 1990s.

The speakers strongly demanded a prompt stop to the adventurous and provocative "Team Spirit 90," saying its purpose is to attack the North with nuclear weapons in the "event of contingency."

The meeting adopted a resolution calling for extending firm solidarity with the South Korean people's struggle for the frustration of the anti-democratic three-party merger and determinedly opposing the "Team Spirit 90" war game and the U.S.-Japan-South Korea military tieup.

Anniversary of Cultural Center's Burning Marked

SK1703111590 Pyongyang KCNA in English 1050 GMT 17 Mar 90

[Text] Pyongyang March 17 (KCNA)—A rally was held here today to mark the eighth anniversary of the fire set to the "American Cultural Center" in Pusan by South Korean students and people.

On March 18, 1982, South Korean patriotic students and people including Mun Pu-sik and Kim Hyon-chang set fire to the "American Cultural Center" in Pusan, an agency for ideological and cultural aggression of U.S. imperialism standing domineeringly in the city, and scattered in Pusan anti-U.S. leaflets reading "U.S., go home" and "We denounce U.S. neo-colonialism."

In his report at the rally, Choe Su-il, vice-chairman of the Central Committee of the League of Socialist Working Youth of Korea, said the arson was an expression of the pent-up wrath and resentment of the South Korean people against the U.S. imperialist aggressors who occupied South Korea by force of arms, established the most brutal colonial military fascist rule and imposed all sorts of misfortunes and sufferings on them, and a just patriotic struggle which demonstrated their indomitable will to restore the lost sovereignty of the nation and achieve the independent and peaceful reunification of the country.

He continued:

The U.S. imperialists are more viciously resorting to appeasement and deception in a bid to stifle the fierce struggle of the South Korean people for anti-U.S. independence and anti-fascist democracy and prolong their colonial domination in South Korea at any cost.

While pretending to be interested in disarmament and detente in other parts of the world, the warhawks of the United States have turned South Korea into the most dangerous powder magazine and nuclear forward base in the world with the undisguised aim to increase the tensions on the Korean peninsula.

They now claim that they are willing to reduce U.S. troops in South Korea. This is, however, a deceptive ruse to mislead world opinion.

Their plot to unleash another war is revealed all the more clearly by the provocative "Team Spirit 90" joint maneuvers, a preliminary and test nuclear war to deal a forestalling strike at the DPRK.

With a view to diverting elsewhere the attention of the home and foreign public, the No Tae-u group some time ago faked up a "fourth tunnel" incident in conspiracy with U.S. imperialism and is viciously carrying on an anti-DPRK campaign by their stereotype method.

The so-called "fourth tunnel" incident is a product of the anti-DPRK intrigues which was premeditatedly faked up in an attempt to keep off the influence of our new peaceful reunification proposal for pulling down the concrete wall and realising free travel and full-scale opening between the North and the South, conceal the criminal nature of the "Team Spirit 90" nuclear war game and bridge over the crisis of the tottering colonial fascist rule over South Korea.

Denouncing with national resentment the U.S. imperialist aggressors and the No Tae-u puppet clique for inflicting misfortunes and disasters upon our nation, the reporter stressed:

The U.S. imperialists must look straight at the strong will of the South Korean people for independence, democracy and reunification, discontinue the military occupation and colonial domination of South Korea and immediately withdraw from South Korea, taking along their aggression forces and nuclear weapons.

The U.S. imperialists and the South Korean puppets must immediately stop the bellicose arms buildup and the aggressive "Team Spirit 90" which is fraught with the danger of a nuclear war.

The traitor No Tae-u must discard the foolish dream of prolonging his remaining days through military fascist dictatorship denounced and rejected by the people and step down without delay.

Attending the rally were Yun Ki-pok, secretary of the Central Committee of the Workers' Party of Korea, Yi Kye-paek, chairman of the Central Committee of the Korean Social Democratic Party, and others.

U.S. Must End 'Adventurous Anti-Libya Campaign'

SK1903102590 Pyongyang KCNA in English 1010 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—The U.S. imperialists must immediately cease their adventurous anti-Libya campaign, says NODONG SINMUN in a signed article today.

Alleging that Libya has started again the production of chemical weapons, the U.S. imperialists have launched into an anti-Libya campaign including the reinforcement of their Armed Forces in the Mediterranean.

Due to their moves now a new danger has befallen Libya and the situation in the Mediterranean is tense, notes the article.

Saying it is the U.S. imperialists who must be denounced for the production of chemical weapons, the article points out that they have resumed the production of notorious binary chemical weapons and already proliferated and stockpiled a large number of chemical weapons. It is the height of sarcasm for them to carp on others, calling the Rabta plant which produces medicaments a chemical weapon producer, the article says, and continues:

The Libyan people resolutely oppose the U.S. imperialists' moves toward aggression and intervention and are valiantly fighting to consolidate the independence of their country and defend sovereignty under the banner

of anti-imperialist independence. The U.S. imperialists who do not like it have hated Libya and taken issue with it arbitrarily in an effort to find an excuse for aggression and interference in it.

A proof of this is that they are now charging Libya with producing chemical weapons.

Noting that "anti-terrorism" is another pretext invented by them for their anti-Libya campaign, the article says this is a cock-and-bull story.

It goes on:

The brutal bombing on Tarabulus and other residential quarters in April 1986, the shooting down of a Libyan fighter plane in January last year and so on were their undisguised anti-Libyan terrorist atrocities and a crude infringement on the security and sovereignty of Libya.

At present, they are massing their armed forces in the Mediterranean, which is a danger signal that they may commit such criminal acts again.

Facts show that their aggressive and dominationist nature has never changed and they will stop at nothing to gratify their wild ambition.

Anniversary of USSR Economic Accord Marked

Press Conference at Embassy

SK1903215290 Pyongyang KCNA in English 1513 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—A press conference was held today at the Soviet Embassy here on the occasion of the 41st anniversary of the signing of the agreement on economic and cultural cooperation between the DPRK and the USSR.

Boris Morozov, charge d'affaires ad interim of the Soviet Embassy, recalled that the two countries have developed the relations of cooperation in economic and cultural fields over the past 40 years and expressed the belief that the relations would develop in the interests of the two peoples.

Then, he answered the questions raised by reporters.

Newspaper Dedicates Article

SK1703111490 Pyongyang KCNA in English 1001 GMT 17 Mar 90

[Text] Pyongyang March 17 (KCNA)—NODONG SINMUN today dedicates a signed article to the 41st anniversary of the signing of the agreement on economic and cultural cooperation between Korea and the Soviet Union.

This agreement has fully displayed its vitality in developing friendship and cooperation between the two countries, the article says, and continues:

Korea and the Soviet Union are friendly neighbours with a river in between.

The Korean and Soviet peoples have long since forged bonds of friendship in the struggle against imperialism and for national and social emancipation and have always closely supported and cooperated with each other.

The Soviet people are now striving to accelerate socio-economic development in accordance with the decisions of the 27th Congress of the Communist Party of the Soviet Union and the 19th All-Union Party Conference.

The Korean people sincerely rejoice over the achievements made by the fraternal Soviet people in socialist construction and extend firm solidarity with their efforts to build a war-free world.

They believe that the traditional friendship between Korea and the Soviet Union will steadily consolidate and develop in the future, too, in the interests of the two peoples.

The Korean people also sincerely wish the fraternal Soviet people greater success in their endeavours to increase the might of the country and safeguard world peace, the article stresses.

Jiang's Additional Talks With Kim Il-song Noted

SK1503041890 Pyongyang KCNA in English 0402 GMT 15 Mar 90

[Text] Pyongyang March 15 (KCNA)—Talks were held again today between Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea [WPK], and Comrade Jiang Zemin, general secretary of the Central Committee of the Communist Party of China.

Present at the talks on our side were Comrade Kim Chong-il, member of the Presidium of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea; Kim Yong-nam, member of the Political Bureau of the Central Committee of the WPK, vice-premier of the Administration Council and foreign minister; Choe Kwang, alternate member of the Political Bureau of the Central Committee of the WPK and chief of the general staff of the Korean People's Army; Yun Ki-pok, member and secretary of the Central Committee of the WPK; Kim Yong-sun, member of the Central Committee of the WPK and director of a department of the Central Committee of the WPK; Chu Chang-chun, member of the Central Committee of the WPK and ambassador extraordinary and plenipotentiary of the DPRK to the People's Republic of China; and Kang Sok-chu, alternate member of the Central Committee of the WPK and first vice-minister of foreign affairs.

Present on the opposite side were Li Ximing, member of the Political Bureau of the Central Committee of the CPC and secretary of the Beijing Municipal Party Committee; Zhu Liang, member of the Central Committee of the CPC and head of its International Liaison Department; Qi Huaiyuan, alternate member of the Central Committee of the CPC and vice-minister of foreign affairs; Zeng Qinghong, deputy director of the General Office of the Central Committee of the CPC; Wen

Yezhan, ambassador extraordinary and plenipotentiary of the People's Republic of China to the DPRK; and other suite members.

The talks were held in a comradely, sincere and friendly atmosphere.

Health, Law Delegations Head to PRC 20 Mar

SK2003110490 Pyongyang KCNA in English 1033 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—A DPRK Government health delegation led by Yi Chong-yul, minister of public health, and a delegation of the Korean Central Bar Association led by its chairman, Yi Tong-sok, left here today for a visit to China.

A delegation of functionaries of the League of Korean Youth in Japan under the General Association of Korean Residents in Japan (Chongnyon) led by Yi Myong-kyon, chairman of the Central Standing Committee of the league, arrived in Wonsan Monday by the ship "Mangyongbong" for a visit to the socialist homeland.

Defense Minister Greets Mongolian Counterpart

SK1703111090 Pyongyang KCNA in English 1048 GMT 17 Mar 90

[Text] Pyongyang March 17 (KCNA)—Vice-Marshal of the Korean People's Army O Chin-u, minister of People's Armed Forces, sent a message of greetings to Lieutenant General Lubsangombo Molomzhamts, minister of Defence of Mongolia, on the occasion of the 69th founding anniversary of the Mongolian People's Army.

The message expresses the belief that the friendly and cooperative relations between the two peoples and two armies will further strengthen and develop in the common struggle for peace and the victory of the cause of socialism against imperialism.

CPRF Denounces Japanese-South Korean Exchange

SK1703045990 Pyongyang KCNA in English 0420 GMT 17 Mar 90

[Text] Pyongyang March 17 (KCNA)—The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] in its Information No. 561 dated March 16 denounced the No Tae-u puppet clique for tightening military tieup with the Japanese reactionaries.

Recalling that some time ago the No group confirmed the "policy of the exchange of students" the keynote of which is the exchange of cadets of the South Korean puppet army and the Japanese "Self-Defence Forces" (SDF) on the pretext of filling the gap to be caused by the "reduction of the U.S. forces stationed in the Far East" and announced that students would be exchanged between the puppet Navy and the Japanese naval "SDF" within the five years to come, the information says.

This military cooperation is part of an outspoken criminal scheme to tighten military fusion between the South Korean puppet army and the Japanese "SDF" and round off the substantive formation of the U.S.-Japan-South Korea three-way military alliance in accordance with the U.S. imperialists' global strategy.

No one but the traitor to the nation who is not concerned at all about the fate of the country and the nation can think of such open military tieup with the Japanese reactionaries.

This is an intolerable insult to the patriotic martyrs who shed blood in their fight against the Japanese imperialist aggressors and a heinous challenge to the entire Korean people who are opposed to the revival and reinvasion scheme of Japanese militarism.

The No group unhesitatingly committed such crimes which the former dictators who earned ill fame as pro-Japanese stooges had not dared do and thus fully revealed its dastardly color as a clique of dual stooges of the U.S. and Japanese aggressors and most despicable flunkeyist traitors.

Japanese Arms Buildup Considered 'Offensive'

SK1703111290 Pyongyang KCNA in English 1039 GMT 17 Mar 90

[Text] Pyongyang March 17 (KCNA)—NODONG SINMUN today hits out at the Japanese reactionary ruling quarters which are stepping up arms buildup, seeking overseas expansion.

The voluble talk of the Japanese reactionary ruling quarters about "moderate armed forces," "defence" and "peace" is nothing but a deception aimed at dispelling apprehensions as to the militaristic danger of Japan and concealing their criminal arms buildup for overseas aggression.

In the signed article titled "'Unsinkable Carrier' for Overseas Aggression," the author charges that the Japanese reactionaries are dreaming of overseas aggression and subordinating everything to its realization.

The Japanese reactionary ruling quarters, he notes, are reinforcing the "self-defense forces" into an offensive form.

The article further says:

The Japanese air "SDF" is to be equipped with the fighter plane of new generation called "FSX" in the not distant future and the naval "SDF" plans to purchase the "Aegis" warship equipped with a missile system of latest type capable of catching and attacking several targets at a time.

The restructure of the combat equipment of the ground "SDF" is also a step for arms buildup geared to the overseas aggression operation.

Now the weaponry system of the ground "SDF" is being recast as a whole to meet the demands of the offensive operation.

The "SDF" has grown into huge armed forces capable of overseas aggression.

When the present five-year arms buildup program ending this year is fulfilled, Japan is said to become the second biggest military power after the United States in the capitalist world.

The adventurous arms buildup of the Japanese reactionaries is to meet the demand of the Japanese monopoly capital. The Japanese monopoly capital that has grown corpulent is getting greedy and seeking undisguised ambition for overseas expansion.

Such being the situation, it is unthinkable that the Japanese reactionary ruling quarters, the henchmen of the monopoly capital, refrain from overseas expansion.

The Japanese reactionaries are directing the sharp edge of their reinvasion to Korea, first of all, the paper says, adding:

The Japanese reactionaries are nowadays employing a cunning and sinister artifice, drivelling about "improvement of relations" with the DPRK while stepping up the preparations for reinvasion behind the scene. The aggression forces of Japanese militarism pose a constant threat to our country.

The Korean people are following this with heightened vigilance. The Japanese reactionaries should act with discretion.

DPRK Decides To Recognize Republic of Namibia

SK2003105890 Pyongyang KCNA in English 1028 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—The Government of the Democratic People's Republic of Korea decided to recognize the Republic of Namibia.

This was declared in a message of greetings sent by Comrade Kim Il-song, general secretary of the Central Committee of the Workers' Party of Korea and president of the Democratic People's Republic of Korea, to Sam Nujoma, president of the South West Africa People's Organization and president of the Republic of Namibia, on March 19.

In the message President Kim Il-song extends warm congratulations to Sam Nujoma on the proclamation of independence of Namibia and on his assumption of office as first president of the Republic of Namibia.

The message says:

The proclamation of independence of Namibia is a brilliant fruit of the Namibian people in the long-drawn arduous struggle for freedom and liberation and an event of epoch-making significance in abolishing the last bulwark of colonialism on the African continent and attaining total liberation of Africa.

I inform you that the DPRK Government has decided to recognize the Republic of Namibia.

The Korean people will in the future, too, actively support and encourage the just cause of the Namibian people to clear away the aftermath of colonial rule and the racist policy and to achieve the country's independent development.

I sincerely wish you and your people fresh successes in the struggle to consolidate the political independence, achieve economic self-reliance and to build a non-aligned new Namibia.

I take this opportunity to express my conviction that the friendly and cooperative relations between our two peoples solidly formed in the common struggle for independence against imperialism will further strengthen and develop.

Ugandan Official Sends Letter to Kim Yong-nam

SK1903070890 Pyongyang KCNA in English 0527 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—The Ugandan Government invariably takes it as its stand of principle to fully support a peaceful reunification of Korea, declares Paul K. Ssemogerere, second deputy prime minister and minister of foreign affairs and regional cooperation of the Republic of Uganda, in his solidarity letter to DPRK Foreign Minister Kim Yong-nam.

We are satisfied with the reunification proposals and sincere efforts of the DPRK Government for obtaining the noble goal of national reunification, says the letter.

It expresses satisfaction at the steady strengthening and development of the relations between the two countries in the interests of the two peoples.

Yon Hyong-muk Congratulates Tanzanian Minister

SK1903055890 Pyongyang KCNA in English 0540 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—Yon Hyong-muk, premier of the Administration Council, sent a message of greetings to Joseph Warioba upon his reelection as first vice-president and prime minister of the United Republic of Tanzania.

The message expresses the belief that the excellent relations of friendship and cooperation between the two countries will grow stronger and develop in the future.

Han Song-yong Attends Machine Industry Meeting

SK2003044090 Pyongyang KCNA in English 0416 GMT 20 Mar 90

[Text] Pyongyang March 20 (KCNA)—A national meeting of activists in machine-building industry was held here on March 18 and 19.

The meeting discussed measures to fulfil this year's plan and the Third Seven-Year Plan ahead of schedule and put machine-building industry on a higher level by invigorating the drive for creating the "speed of the 90s" in hearty response to the party's call.

It was stressed at the meeting that our chuche-oriented machine-building industry which began to be built from scratch after national liberation under the wise guidance of the party and the leader has been strengthened and developed into a powerful industrial sector which reliably guarantees the chuche-orientation, modernization and scientization of the national economy.

The great leader Comrade Kim Il-song, basing himself on a correct analysis of the lawful demands of economic construction and the urgent requirements of our revolution, advanced the unique line of founding a chuche-oriented machine-building industry and set forth wise policies for its development in every period and at every stage of the developing revolution, the speakers said, and continued:

Dear Comrade Kim Chong-il has given on-the-spot guidance to various machine plants and shipyards to further develop machine-building industry as required by the modelling of the whole society on the chuche idea. In this course he showed deep trust in the workers, technicians and scientists in this domain and gave them great courage and energetically guided the dynamic drive for bringing about a new turn in the development of machine-building and ship-building industries.

They called for effecting a new great upsurge in the development of machine-building industry by fully displaying the revolutionary spirit of self-reliance.

Present at the meeting were Han Song-yong, alternate member of the Political Bureau and secretary of the Central Committee of the Workers' Party of Korea, and Kim Yun-hyok, vice-premier of the Administration Council.

Railway Freight Haulage Increases Four Percent

SK1903215090 Pyongyang KCNA in English 1500 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—Railway freight haulage in Korea increased 500,000 tons in the first 18 days of March above the like period of the previous month.

The transport workers under the Ministry of Railways increased haulage 4 percent in February as compared with the previous month.

Over the last 10 days reserves of some 4,000 wagons were tapped under the ministry to carry freight in time to various domains of the national economy.

The General Bureau of Northern Railways has established a strict check-up and repair system of locomotives and kept a high rate of their operation to transport 100,000 more tons of freight in the first ten days of this month above the same period of last month.

The General Bureau of Eastern Railways increased the freight transport 30 percent in the recent 10 days as against the same period of last month.

A powerful drive to increase transport is going on under the General Bureau of Western and Kaechon Railways.

Housing Construction 'Brisk' in Provinces

SK2003042490 Pyongyang KCNA in English 0410 GMT 30 Mar 90

[Text] Pyongyang March 20 (KCNA)—Many dwelling houses are now being built in urban and rural areas of Korea.

The construction of houses for 50,000 families is progressing fast in the capital city of Pyongyang.

North Pyongan Province set itself the goal of building houses for nearly 10,000 families this year and has already started the construction of those for 9,600 households. Among them, houses for 100 families have been completed and those for 1,600 families have entered the final stage.

North Hamgyong Province started the building of houses for 12,000 families. It plans to build houses for 15,000 families this year. Houses for 3,500 families are now in the finishing stage.

Housing construction is also brisk in South Pyongan, North Hwanghae, Kangwon and other provinces.

Farm Preparation Reported; Successes Reviewed

SK1903100590 Pyongyang KCNA in English 1000 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—Preparations for farming are now in full swing at the October 15 combined farm.

The farm was organized in September 1988 in Paekam area, a table-land 1,300 metres above the sea level in Yanggang Province, a northern inland of Korea.

The creation of the new farm made it possible to boost agricultural production in Yanggang Province where the area under cultivation is limited.

Last year the farm harvested more than 20 tons of potatoes per hectare on an average in thousands of hectares of newly reclaimed fields.

The farm which was established in the form of all people's ownership is as big as a county. It has transport, repair, foodstuff and construction workshops and Undok, Okchon, Samsu, Chongbong and other branches.

In each branch there are tidy dwelling houses, a house of culture, school, hospital, creche, kindergarten, shops and public service facilities.

The farm has various types of modern farm machines and hundreds of agro-technicians.

Farm manager Chon Tae-chin said that the farm would produce a large amount of grain, potatoes and vegetables and thousands of tons of meat every year.

Sowing will start in the newly cultivated fields of 6,000 hectares of the farm this year.

Preparations Under Way for Assembly Elections

SK1903055490 Pyongyang KCNA in English 0541 GMT 19 Mar 90

[Text] Pyongyang March 19 (KCNA)—Constituency and subconstituency committees for elections of deputies to the Ninth Supreme People's Assembly of the Democratic People's Republic of Korea due on April 22 have started their work.

The committees were organized according to the rules of the elections of deputies to the People's Assemblies of the DPRK at all levels.

Article Discusses Socialist System's Benefits

SK1803091090 Pyongyang KCNA in English 0841 GMT 18 Mar 90

[Text] Pyongyang March 18 (KCNA)—The Korean people are bringing their wisdom and talent into full bloom and have great strength to transform the nature and society under the socialist system of our country, says NODONG SINMUN today in a signed article entitled "Our Socialist System Is a Most Viable One Which Gives Full Scope to Creativity of the Masses."

The paper quotes the great leader Comrade Kim Il-song as teaching:

"Through their own experience, our people are keenly aware that the socialist system is indeed the most popular system which firmly guarantees the masses of the people the position of masters of the state and society and that it is the most viable system enabling them to display their inexhaustible creative power to the full."

The Korean socialist system is giving fullest scope to the creativity of the popular masses, above all, because the leader, the party and the masses are firmly united into one integrity.

The Korean people have achieved a most solid unity and cohesion. There is no more solid unity than the integral whole in which the leader, the party and the masses are firmly united as one integrity. The Korean people regard the intentions of the leader and the policies of the party as their vital demands and devote their all to their implementation. We do whatever is required by the party and the leader—this is the unanimous thought of the Korean people and their fighting spirit.

The revolutionary will of the Korean people who are rallied into one and their indomitable fighting spirit of carrying out the intentions of the party and the leader unconditionally to the end represent an invincible strength with which they are making remarkable achievements in socialist construction, overcoming all obstacles and difficulties.

The Korean socialist system gives fullest scope to the creativity of the popular masses, next, because the leadership and masses are closely linked together and there is no subjectivism and bureaucracy in our country.

Our party demands that the leading functionaries always combat subjectivism and bureaucracy and abide by the work method and style of actively enlisting the revolutionary enthusiasm and creative ingenuity of the masses.

Especially, our leading functionaries strictly apply the Chongsan-ri spirit, Chonsang-ri method and the Taean work system created by the great leader, thus freeing themselves from the outmoded work method and style and giving full scope to the creative wisdom of the masses. Thus, the Korean people are demonstrating their wisdom and talent to the maximum with vigorous zeal of struggle and their creativity is growing immensely.

The Korean socialist system is giving fullest scope to the creativity of the popular masses, next because work is going on briskly in Korea to arm them with scientific and technological knowledge.

The paper further says:

The reason why our socialist system is a viable one which helps the popular masses demonstrate their creative power to the fullest measure is that it is a social system based on the ideology, theory and method of chuche.

As they have adopted the chuche idea as their world outlook, the Korean people are cultivating their strength with the steadfast stand of solving any problem by their own efforts, believing in their own strength under whatever condition and are fully demonstrating their creative wisdom with the firm stand with which to carry out everything in conformity with their specific conditions, unhindered by others' experiences and ready-made theories.

Kim Yong-sam Denounced as 'Splittist' in Daily

SK1903065690 Pyongyang KCNA in English 0543 GMT 19 Mar 90

["Kim Yong-sam Is Anti-Reunification Element Who Betrayed Desire of Fellow Countrymen for Reunification"—KCNA headline]

[Text] Pyongyang March 19 (KCNA)—Kim Yong-sam is, by origin, an anti-reunification element and a splittist who has obstructed the reunification of the country, betraying the desire of the fellow countrymen for it.

NODONG SINMUN Sunday says this in the third instalment of an article stripping naked the treacherous color of Kim Yong-sam, a political charlatan, under the headline "anti-reunification element who betrayed fellow countrymen's desire for reunification."

The author of the article says:

Kim Yong-sam has joined hands with the force of military dictatorship in swimming against the stream of national reunification, the cherished desire of the nation.

The merger of the "Democratic Justice Party," the "Reunification Democratic Party" and the "New Democratic Republican Party" is, in a sense, an alliance of the anti-reunification splittist force dismayed at the daily growing movement of our nation for reunification.

Kim Yong-sam's collusion with this force is a telltale sign of his inveterate anti-reunification constitution and a proof that it remains unchanged still today.

Under the "Sixth Republic" rule of No Tae-u, he zealously supported the fascist clique's claim to "unified channel of dialogue" intended to block civilian dialogue for reunification, parroting the dictator's concept of "democracy first and reunification next." At the "Chongwadae [South Korean presidential residence] four-way talks" he put the veil of "national consensus" on the anti-reunification strategem of the No Tae-u group, sympathizing with its call for "unified channel of dialogue." When the patriotic students of South Korea initiated the June 10 and August 15 North-South student talks and grand cross-country march and turned out to carry them into practice, he, far from encouraging their righteous struggle, took a perfidious stand of throwing a wet blanket over their fervor for reunification and helping the beastly repression of them by the fascist police, "asking" them "to restrain themselves in their action to force North-South student talks."

And it must be noted that when Rev. Mun Ik-hwan and his companion and woman student Yim Su-kyong and her companion visited Pyongyang, he jumped out of his skin even before the traitor No Tae-u and branded it as "a self-conceited act violating the law in force." He did not stop at the criminal act of inducing the fascist "security-oriented politics" of the No Tae-u group, noisily crying that they must be punished according to the "law in force" because they "benefited the North only."

The anti-reunification nature of Kim Yong-sam was irrefutably confirmed when he declared a "political truce" to stop all political struggle during the division-oriented Seoul Olympics and rolled up his sleeves in seeking the passage of the fascist law banning all demonstrations and assemblies. Another unpardonable anti-national crime of his is that he is over-zealous in the pursuance of the "northern policy" of the No group for executing the U.S. imperialists' "two Koreas" line.

Kim Yong-sam who had conducted feverish activities on the forefront of the divisive "northern diplomacy" under the opposition cloak from the first days of No's office is now running about in splittist diplomacy to get recognition of "two Koreas" from the socialist countries in the capacity of "a co-leader" of the ruling party.

Kim Yong-sam is prowling about like the mad in "northern diplomacy" for perpetuating division by creating "two Koreas," far from helping in reunification. This is an unpardonable perfidy to the desire of the nation for reunification and an intolerable challenge to our people who are anxiously waiting for the reunification of the country, feeling as if days are so many years.

During his several visits to the United States and Japan, he uttered the same words and did the same acts of treachery and anti-reunification as No Tae-u.

He insisted on the "impossibility of the withdrawal of the U.S. forces," always telling his Americn patrons that the "present level" of the U.S. forces present in South Korea "must be maintained till a peaceful structure has settled down" on the Korean peninsula.

He will face a stern judgement by history and the nation for his crimes against reunification and crimes in joining hands with the military fascist clique opposed to reunification.

South Korea

Government Seeks Ties With Socialist Countries

SK2003040490 Seoul Domestic Service in Korean 0300 GMT 20 Mar 90

[Text] After it establishes diplomatic relations with Czechoslovakia and Bulgaria on 22 and 23 March, the government plans to make positive efforts to establish diplomatic relations not only with Romania and other East-bloc countries, but in addition with Mongolia, Zimbabwe, and socialist countries in other regions. Romania recently informed the government that it will send a delegation led by a vice foreign minister to Korea to negotiate the establishment of diplomatic relations. In this respect, the government has been preparing for our negotiations with Romania on diplomatic relations. The government is also planning to make efforts to reach an agreement on diplomatic relations, while maintaining our principle that ambassadorial-level diplomatic relations must be established without any interim stage, and that there must be no preconditions, including economic cooperation, for establishing diplomatic relations.

The government also is contacting Mongolia through various diplomatic channels. At a reception in Belgrade, Yugoslavia, to celebrate the establishment of diplomatic relations between Korea and Yugoslavia, Foreign Affairs

Minister Choe Ho-chung personally expressed such an intention to (?Hasbat), the Mongolian ambassador to Yugoslavia.

In the meantime, during his trips to Southwest Asia and East Europe, Minister of Foreign Affairs Choe asked India, Yugoslavia, and other leading countries of the Nonaligned Movement to cooperate with our efforts to establish diplomatic relations with Zimbabwe, Tanzania, Zambia, and other front line states in Southern Africa.

Mongolian Envoy Expresses Desire for Relations

SK2003041390 Seoul Domestic Service in Korean 0300 GMT 20 Mar 90

[Report by correspondents Ko Tae-yong and Yi Sung-ik from Belgrade]

[Excerpt] [passage omitted] In the meantime, the Korean Embassy to Yugoslavia opened and started its diplomatic activities today. A ceremony and a reception were held. Foreign Affairs Minister Choe Ho-chung, Yugoslav officials, and approximately 1,000 [as heard] diplomatic envoys in Belgrade attended this grand reception. In particular, (?Hasbat), Mongolian ambassador to Yugoslavia, personally expressed Mongolia's intention to Minister Choe to establish diplomatic relations with our country.

Investment in Hungary, East Bloc Examined

SK1703024690 Seoul THE KOREA HERALD in English 17 Mar 90 pp 6, 7

[By staff reporter Choe Nam-hyon]

[Text] Eastern Europe with its economic reform under way is emerging as a big potential market for Korea. Here again, as in Western Europe, however, there appears to be little room for Korea to gain quick profits from simple commodity exports.

While Western Europe is trying to protect its domestic market from imports, Eastern Europe does not have enough hard currency for its needed purchases from abroad. Under the circumstances, Korean companies need to invest in production in Eastern Europe and be prepared for delayed profits.

The case of Hungary may illustrate the investment climate in Eastern Europe as a whole. Legacies of the Communist rule in Hungary, which are certain to remain for years to come, are both good and bad for Korean companies preparing to open shop there.

The Hungarian economy based on state ownership and planning failed to produce wealthy entrepreneurs under Communist rule. Despite its commitment to private ownership, the reform-minded Hungarian government can find among its people few entrepreneurs wealthy enough to bid for state-owned companies. So it is proposing to sell state-run companies to foreign investors, providing a good chance to Korean companies to find suitable ones.

"You can grab factories at bargain prices here," said Yi Chin-hyo, an official of Korea Trade Promotion Corp. [Kotra] assigned to Budapest. Hungary, he said, is seeking to create jobs and raise the income level for its people by inducing foreign capital to run its idle factories. Chances to buy good companies at reasonable prices, however, may dry up in two or three years, he said. "It is worth confronting investment risks now because bidding competition will heat up soon."

Bad Communist legacies for Korean companies include low work morale and a mandatory contribution to the workers' welfare fund. It is not uncommon to see workers chat and laugh during workhours in Hungary. They have had little motivation for working hard.

Businesses are required to pay additional money equivalent to 43 percent of wages as a contribution to the workers' welfare fund. With an average monthly payment to workers remaining at $170, the contribution may not pose a serious problem now. But it may turn out to be a big burden if wages rise substantially, as was acknowledged by Trade Minister Beck Tamas. He said, however, that the parliament is not likely to repeal the contribution act in the near future.

With all pluses and minuses considered, Yi of Kotra said, it is worth investing in Hungary. The Korean businesses that heeded the advice include Samsung Electronics Co. and the Daewoo Business Group. Samsung Electronics Hungarian Co., a joint venture whose equity is evenly divided between Samsung Electronics Co. and Orion of Hungary, will begin production next month.

Vilmos Sraud, president of the joint venture, said Orion and Samsung Electronics Hungarian, which will produce color TV sets of different sizes, will be complementary in their fight against other TV set producers.

One of the problems confronting the joint venture is to enhance productivity.

"We pay 30 percent to 40 percent more (to workers) than Orion does to reach the productivity level at Samsung Electronics Co.'s factory in Korea," the joint venture president said. That goal may be difficult to attain with workers accustomed to the Orion assembly line. Workers at an Orion factory were seen to be idle without much to do at the assembly line.

"It is not a problem of workers. It is a leadership problem (of organization)," the president said.

There are other problems—a difficulty in obtaining loans from banks at the high interest rate of 28 percent a year and the inflation rate running between 20 percent to 30 percent, said Pak Chae-kwan, vice president of Samsung Electronics Hungarian Co.

But the Hungarian government, Pak said, is cooperative with the company. He said it allowed the company to buy parts from Samsung Electronics Co. on credit, which he said was a special favor.

Unlike Samsung's joint-venture project, Daewoo's plan to forge a partnership with Hungarian companies did not go smoothly. Daewoo and the Hungarian companies nearly agreed on Daewoo's purchase of 50 percent of the stock of the Hilton Hotel. But the deal hit a snag when the Hungarian partners began to wonder if they had decided to sell the stock at too low a price.

Just as Hungary and West European countries favor investment over commodity imports, Egypt wants foreign companies to invest in production, but for a different reason.

"Egypt wants to promote import substitution with technology coming along with foreign investments," said Choe Kong-nim of Kotra based in Cairo.

Korea's market share of electronic products began to surpass that of Japan in 1988 as a result of Korean companies' promise to share technology with the Arab country, Choe said.

Goldstar Co. and Samsung will begin to produce television sets in joint ventures with Egyptian companies, in the near future, he said. With imports banned from Japan since last year, Goldstar is expected to export TV parts worth $30 million a year for assembly at its joint-venture company in Egypt, he said.

Government To Send Students to East Bloc

SK2003101290 Seoul YONHAP in English 0922 GMT 20 Mar 90

[Text] Seoul, March 20 (YONHAP)—The South Korean Government plans to give eight students official scholarships to study in the Soviet Union, Bulgaria and other East-bloc nations this year.

The eight will be chosen from among 100 students selected to study overseas on official scholarships this year, according to the Education Ministry.

Education officials said the decision to send eight students to the communist countries is aimed at supporting studies of the languages and regional affairs of the East bloc.

The ministry sent two students to Hungary last year.

An official said that should the Soviet Union refuse to accept students the government will seek to send them to Poland, Hungary or Yugoslavia or Western countries such as Britain, West Germany and France.

SFRY President on Way to Peace on Peninsula

SK2003074090 Seoul YONHAP in English 0718 GMT 20 Mar 90

[Text] Seoul, March 20 (YONHAP)—Yugoslavian President Janez Drnovsek said Monday that non-aligned nations, led by his country, are ready and willing to help solve the Korean problem through direct dialogue between South and North Korea, the South Korean Embassy in Belgrade has informed the Foreign Ministry.

Drnovsek said the changes occurring in Eastern Europe will benefit inter-Korean relations and bring progress in dialogue between the two Koreas, which were divided at the end of World War II, according to a copy of the embassy report released by the ministry Tuesday.

Meeting Korean reporters accompanying Foreign Minister Choe Ho-chung on his official trip to Belgrade, the Yugoslavian president said the non-aligned group advocates that the Korean problem be solved through direct dialogue between Seoul and Pyongyang and is willing to support this.

"Ideology has lost all meaning. The ebb of ideology will help to lower tension on the Korean peninsula," Drnovsek said, according to the embassy report, and added that the goal of the non-aligned group should be revised.

"Recent changes in Europe are an expression of the truth that ideology no longer exists," he was quoted as saying.

The Yugoslavian leader said the non-aligned group is changing from a political movement for easing tension between East and West into an economic movement for strengthening cooperation between advanced and developing nations, the embassy said. On relations with South Korea, which opened ambassador-level diplomatic ties with Yugoslavia last month, Drnovsek said he hoped economic cooperation would be stepped up, especially between small- and medium-sized firms, the report said. Drnovsek said Yugoslavian businesses are interested in joint ventures with Korean firms as well as commodity exchanges, but he called on the Korean Government to rectify the imbalance in trade between the two countries, the embassy said.

Korea exported 47 million U.S. dollars worth of goods to the communist country and imported 20 million dollars worth in 1989, according to government data.

He termed it "mutually important" to establish diplomatic ties between Korea and East-bloc nations and said it is possible for both sides to enhance not only economic cooperation but also political cooperation because Korea is internationally important, the embassy reported.

Korea and Yugoslavia, under an agreement between Choe and Foreign Minister Budimir Loncar, will sign investment guarantee and avoidance of double taxation accords in the near future to pave the way for expanding economic exchanges.

Yugoslavia is the third East-bloc nation to set up diplomatic ties with South Korea, following Hungary last February and Poland last November. Korea is expected to exchange letters of protocol with Czechoslovakia and Bulgaria on establishing ambassador-level ties when Choe visits Prague and Sofia this week.

Unification Minister To Pursue DPRK Contacts

SK1903131390 Seoul YONHAP in English 1255 GMT 19 Mar 90

[Text] Seoul, March 19 (YONHAP)—New South Korean National Unification Minister Hong Song-chol vowed Monday continued efforts to contact North Korea for easing tension on the Korean peninsula and reunification of South and North Korea.

In his first press conference after he was appointed to the post in a Cabinet reshuffle on Saturday, Hong said, "The government will continue efforts with patience and sincerity for contacting with North Korea based on President No Tae-u's July 7 declaration which called for partnership with the North instead of enmity.

"To solve the question of two Koreas, it is necessary for the National Unification Board to take initiative in cementing a ground for dialogue through open and closed contacts and to level up it [as received] to a stage for exchanges and cooperation."

Hong also said he will exert efforts to realize a summit meeting between South and North Korea, which No has proposed, terming it "very important issue."

"An effort to integrate national power and opinions on reunification as well as a changed policy of North Korea toward the South and creation of positive environment by powers surrounding the peninsula are essential to the advancement of the reunification," he said.

Hong warned against "sentimental" perspectives and "reckless" discussion of reunification, saying the reunification issue should be approached based on realities.

Hong, born in North Korea, was chief presidential secretary before taking up the national unification minister.

South Invites North Poets to Seoul Congress

SK2003110190 Seoul YONHAP in English 1514 GMT 20 Mar 90

[Text] Seoul, March 20 (YONHAP)—The Executive Organizing Committee of the 12th World Congress of Poets has announced its plan to invite six North Korean literary men to the congress slated to be held in Seoul in August.

Chong Han-mo, chairman of the committee, said in a press conference Tuesday that his committee will formally invite Paek In-chun, chairman of the (North) Korean Writers Union, and five other members of the union to the congress. The five others are Yi Chan, Paek Ha, Choe Yong-ha, Pak Hyo-pom and Kim Chol.

While announcing the plan, Chong, former South Korean culture-information minister, said that the committee will provide the participating North Korean poets with all facilities and guarantee their security during their stay in Seoul. Chong said the congress will aim at cementing "world brotherhood and peace" through poetry.

Over 300 leading poets from more than 50 countries, including communist-bloc nations, and 400 domestic literary men will attend the congress to be held at Seoul's Ramada Olympia Hotel from Aug. 22 through 26.

The committee was earlier allowed by the South Korean Government to invite the North Korean writers to Seoul during the congress period.

North Rejects Request To Discuss Tunnel Probe

SK2003100590 Seoul YONHAP in English 0920 GMT 20 Mar 90

[Text] Seoul, March 20 (YONHAP)—North Korea turned down on Tuesday a request by the United Nations Command (UNC) to discuss details of a joint investigation of the fourth underground tunnel at a Military Armistice Commission (MAC) secretaries meeting, the UNC said.

The UNC proposed Saturday that details of the formation of a joint observation team be discussed at the MAC meeting scheduled for Wednesday, but North Korea sent a message that said the secretaries' meeting had no right to discuss the issue, according to the UNC announcement.

North Korea accepted in principle an earlier UNC proposal for a joint investigation of the tunnel at the 455th MAC meeting on March 14.

The North Korean-dug tunnel was uncovered by South Korean-U.S. tunnel neutralization teams in the northeastern sector of the Demilitarized Zone on March 3.

Team Continues To Search, Clear Tunnel

SK2003023690 Seoul THE KOREA HERALD in English 20 Mar 90 p 3

[Text] A Korean military search and clear team inside the recently discovered border tunnel advanced to the Military Demarcation Line (MDL) after removing an unknown number of booby traps, the Defense Ministry announced yesterday. MDL is in the center of the 4-km-wide Demilitarized Zone (DMZ). The tunnel, the fourth to be found since 1974, was proved to be built into the northern portion of the DMZ, the ministry said.

The announcement said the search team blew up an unknown number of booby traps apparently set up by north Korean forces and managed to secure the tunnel in the entire southern sector of the DMZ. Fearing an attack from the north, the search team earlier had to move to a

point only 700 meters from where an intercept tunnel was built. It erected a temporary wall against a possible north Korean attack. The team also found the body of a sniffer dog killed when a booby trap exploded the day after the underground passage was discovered March 3.

The various artifacts collected so far and other evidence suggest that the tunnel was built between the early 1970s and the early 1980s, ministry spokesman Kim Chi-uk said. He said it is presumed that the Communist north had maintained the tunnel until it was discovered to put it into use later.

A joint Korea-U.S. military team, aided by civilian engineers, is continuing its examination of the tunnel, Kim said. The latest tunnel, 145 meters below the surface, is 2 meters high and 2 meters wide, with a total length estimated at 2,052 meters. It crosses 1,052 meters into the southern sector of the DMZ, according to the Defense Ministry.

North Korea recently admitted over loudspeakers set up along the border it built the tunnel, south Korean authorities have said.

Daily Urges North To Admit Digging Tunnel

SK1803042190 Seoul KYONGHYANG SINMUN in Korean 15 Mar 90 p 2

[Editorial: "The North Should Be More Frank"]

[Text] Did North Korea really admit that it dug the tunnel for southward invasion? If it is true that it dug the tunnel, why does it not come forth in a more straightforward manner? We ask this question as we hear that North Korea admitted digging the tunnel twice over a loudspeaker for southward propaganda.

A government official statad before the 455th Military Armistice Commission [MAC] meeting on 14 March that North Korea babbled on 9 March over a loudspeaker for southward propaganda that "it did dug the tunnel for southward invasion to counter the concrete wall blocking the free visits between the North and the South, and that the tunnel is aimed at peaceful reunification." This is nonsensical and absurd talk, but it is noteworthy since by this, the North admitted digging the tunnel for the first time.

North Korea has so far continued denying digging the fourth tunnel, using all of its propaganda media. It even tried to shift the blame onto the ROK, saying that the latter dug the tunnel for a "northward invasion." North Korea, however, is now reported to have admitted digging the tunnel, though it was through an unofficial source. We wonder what its intention was in doing so.

Moreover, the North Korean side remained silent when our side proposed a joint investigation of the tunnel, but suddenly staged a counter-offensive by proposing a joint investigation at the MAC meeting. We wonder what the North side is up to.

North Korea had been engaging in a slanderous campaign against the South over the propaganda loudspeaker that the tunnel was a "fabrication" when it suddenly changed its attitude. This is quite unusual.

If the North's proposal that it will dispatch a tunnel investigation team was prompted by an honest motive, we should welcome it. However, this is very unlikely in view of the North's attitude to date. We suspect that North Korea is attempting to give the impression to the world that it is innocent and peace-loving by pretending that it was the North that first proposed a joint investigation of the tunnel, since the world's attention, including that of the reporters, is now focused on the MAC.

A few days ago, even the reporters from the communist world, such as the Soviet Union and East Germany, confirmed that the North Korean allegation on the so-called concrete wall south of the truce line is false, and Poland dispatched its military personnel to the ROK to observe the "Team Spirit" exercise. These developments must have perturbed North Korea.

Anyhow, there is no doubt that it would be better for North Korea to frankly admit digging the tunnel for southward invasion and officially apologize for it in order to get itself out of its awkward position. North Korea's denial of digging the southward invasion tunnel, which has been found with modern scientific equipment, is like trying to block the sky with your hand. As for its proposal for a joint investigation, if it is honestly motivated, North Korea should first prove its honesty so as to convince the people that it is not attempting to obstruct or delay the work of finding other southward invasion tunnels, which are known to number about 20. Nor should it use the pretext of a joint investigation to try to escape from the stern denunciation of the international community, at least during the investigation period. North Korea should realize, before it is too late, that it will be further isolated in the international community if it keeps on running counter to the general trend of the world heading for openness, reform, and freedom.

Observers Say Team Spirit Not 'Aggressive'

SK1903125890 Seoul YONHAP in English 1244 GMT 19 Mar 90

[Text] Seoul, March 19 (YONHAP)—The two Polish Army officers who have observed the on-going annual joint South Korea-U.S. military exercise, Team Spirit, since last week said Monday that they could not find any traits of aggressiveness in the military exercise.

The officers, Cols. Roman Jozwick and Maciej Petrkat, made the remarks in a press conference after observing an emergency landing and take-off operation conducted by the Korean and American Air Force elements on a highway linking Chungeup and Taein in the southwestern province of North Cholla, according to field reports.

The officers reportedly said, "After a series of on-the-spot check and observation inside the control center over the past seven days, we came to think that this drill is not designed for an aggressive purpose.

"We regard it as a typical exercise a country normally conducts for beefing up strength necessary for defending itself," the Polish officers said.

They added that they could not spot any sign that may reveal the aggressive nature of the exercise. "We could only see the combined Korean and American forces divide into two opposing groups and stage offense- and defense-oriented trainings, respectively."

The duo came to Seoul on March 12 to become the first military personnel from communist-bloc countries to respond to the South Korean Government's offer to observe the Team Spirit exercise. They will leave Seoul Tuesday.

Government Announces Ban on 18 Japanese Imports

SK2003053990 Seoul YONHAP in English 0515 GMT 20 Mar 90

[Text] Seoul, March 20 (YONHAP)—The South Korean Government has banned an additional 18 imports from Japan, including 21 inch or larger color television sets and some auto parts and components, in a bid to rectify a huge trade deficit with its neighbor, a Trade and Industry Ministry official said Tuesday [20 March].

The ban was revoked for 22 items that have competitive Korean counterparts, putting at 258 the number of imports designated for diversification away from Japan, the official said. The ban is intended to divert imports from Japan, with which Korea posted a trade deficit of 4 billion U.S. dollars last year, up 100 million dollars from 1988 despite efforts to reduce it.

With adjustment of the list, Korea is hoping to reduce its chronic trade deficit with Japan by 100 million dollars this year, the official said. He also said the ban on Japanese items will not be abolished until the trade deficit with Japan falls to 2 billion dollars.

The 18 new banned imports also include such high-tech products as videodisc players and digital audio tape (DAT) recorders, glass for 21-inch TV screens, water pumps, analogue and digital watches, industrial drawing instruments, motorcycles of below 50 ccs, threshing machines and enameled cast iron or non-iron kitchen utensils. Dropped from the list are carbon black, an ingredient in ink, air or gas compressors, automatic door devices, four-wheel-drive automobiles with diesel engines of below 1,500 ccs, some electric wires and some fishing boats. Of the 258 listed imports, 124 are machinery, 56 are textiles, 56 are electronics and electrics and 31 are basic industrial goods.

The Korean Government has designated import sources to be shifted from Japan since 1977 to correct a huge trade deficit, which reached a peak of 5.4 billion dollars in 1986. In addition to the import ban, the government encourages firms to refrain from importing other Japanese goods in favor of items from the United States or West European nations with which Korea has a trade surplus.

The Japanese Government has protested Korea's action as a violation of the free trade principles of the General Agreement on Tariffs and Trade (GATT). Korea's trade deficit with Japan, its largest with any nation, was 5.2 billion dollars in 1987 and 3.9 billion dollars in 1988.

'Trade Row' With Japan Expected Over Benefits

SK1703031890 Seoul YONHAP in English 0254 GMT 17 Mar 90

[Text] Seoul, March 17 (YONHAP)—A trade row is brewing between Japan and South Korea over Tokyo's reluctance to allow Seoul to benefit from a new system that aims to bolster European and North American exports to Japan.

The Korea Trade Promotion Corp. (Kotra) has asked its Japanese counterpart, the Japan External Trade Organization (Jetro), to include Korea, a long-time loser in trade with Japan, on a list of countries to have access to Jetro's latest information on Japanese businesses' import inquiries.

The Japanese Government will reportedly activate the system in the latter half of this year, using Jetro's value-added network (VAN) to boost imports from nations, particularly in North America and Europe, that have trade deficits with Japan.

Jetro officials refused to make a firm commitment in response to Kotra's request in their 20th regular meeting in Tokyo on Thursday and Friday, though Kotra proposed trading information on foreign buyers operating in Korea in return for partial and selective access by Korean companies to Jetro's VAN.

Korea posted a 3.99 billion-U.S.-dollar deficit in trade with Japan last year, up 65 million dollars over the previous year.

Meanwhile, the Korea-Japan Trade Commission held its 17th regular meeting in Okinawa, Japan, March 8-10 and agreed in principle to promote mutual cooperation in entering communist markets.

Japan Requested To Consult on TV Programming

SK2003024290 Seoul THE KOREA HERALD in English 20 Mar 90 p 2

[Text] Korea has asked Japan to consult with the Korean government when it decides on satellite TV programming in order to prevent possible undesirable effects in Korea, since the programs are also seen by many Koreans. The government also demanded Japan make efforts technically to minimize the spillover effects of the television programs.

Sin Song-o, the Foreign Ministry's director-general for information and cultural affairs, said he made the requests during the fourth meeting on cultural exchanges between Korea and Japan, which was held in Tokyo last weekend. He said the problem of Japanese satellite television is expected to become more serious next year as it plans to broadcast commercial television programs from then.

Japanese officials, however, stressed, during the meeting, that they abide by related international accords on using satellites for TV broadcasting which is used to reach Japanese who live in remote areas and cannot watch TV by ordinary means. They also said it is impossible for them to consult with the Korean government on TV programs because it is against the principle of freedom of expression, Sin said.

He said the Korean side also requested the Japanese government actively cooperate on the return of Korean cultural properties which were taken to Japan during Japanese colonial rule.

No Presides Over Cabinet, Emphasizes Economy

SK2003065890 Seoul YONHAP in English 0642 GMT 20 Mar 90

[Text] Seoul, March 20 (YONHAP)—President No Tae-u demanded tangible results in the battle against a soaring crime rate Tuesday and told his new Cabinet to work out comprehensive measures by the end of this month to get the South Korean economy back on track.

Presiding over the first Cabinet meeting since he replaced 15 ministers in a shakeup Saturday, No said economic recovery and public safety were two of the four most urgent tasks facing the new Cabinet. The other two he listed were national reconciliation and creation of an environment for reunification of the divided country.

The president instructed the home and justice ministers to mobilize the full might of the prosecution and police force as well as every possible government resource to maintain public safety, saying the people should be able to feel that security has been heightened in a short period of time.

He said re-establishment of law and order was the people's hope and the foundation of democracy and instructed his ministers to teach society that illegal activities should not be tolerated.

No instructed Deputy Prime Minister Yi Sung-yun to work out comprehensive measures to cure the ailing economy and report back to him by the end of this month. Promoting investment in the manufacturing sector was of the utmost urgency to save the economy, No said. Revitalizing exports and investment, controlling prices and establishing industrial peace are the major tasks for economic revival, he said.

He said Korea has been given a crucial opportunity to achieve reunification and the international environment is making rapid progress. To create conditions conducive to reunification, North Korea must be induced to open up and South Korea must strengthen its unification policies to cope with the changes in the situation on the Korean peninsula, No said.

Ten Vice Ministers Affected in Reshuffle

SK1903125790 Seoul YONHAP in English 1200 GMT 19 Mar 90

[Text] Seoul, March 19 (YONHAP)—Vice Construction Minister Yi Chin-sol was appointed new vice economic planning minister, and Forestry Administrator No Kon-il new vice minister of home affairs Monday in a reshuffle affecting 10 vice minister-level posts.

Under the transfer following the Cabinet reshuffle on Saturday, Cho Kyu-hyang, director of the Planning and Management Office of the Education Ministry was promoted to become vice education minister and Kim Tae-yong, second administration coordinator of the Prime Minister's Office, took up vice construction minister.

Yun Ki-pyong, presidential secretary for civil affairs, was named as assistant to the second minister of political affairs, while Yun Ok-yong, director of planning and coordination of the agency for National Security Planning, was appointed fisheries administrator. Kim Yong-kyun, former deputy secretary general for public administration of the National Assembly secretariat, was named as vice sports minister.

Yi Tong-u, first assistant minister of the Agriculture, Forestry and Fisheries Ministry, was appointed forestry administrator and Kim Chol-su, first assistant minister of the Trade-Industry Ministry, patents administrator.

Vice Home Minister Yi Sang-pae became senior presidential secretary for the administration.

DLP Body To Decide Day-to-Day Affairs

SK1903073190 Seoul YONHAP in English 0641 GMT 19 Mar 90

[Text] Seoul, March 19 (YONHAP)—The ruling Democratic Liberal Party (DLP) set up a powerful body to decide day-to-day party affairs and appointed nine standing advisers in a shakeup of major party posts Monday.

Fourty-five people were named to the 50-member Party Affairs Committee in rough proportion to the seats in the National Assembly held by the three parties that merged last month to form the DLP—24 from the old ruling Democratic Justice Party (DJP), 13 from Kim Yong-sam's party and eight from Kim Chong-pil's party.

They include Kim Yong-sam and Kim Chong-pil, the party's co-leaders along with President No Tae-u, Pak Tae-chun, No's stand-in as co-leader, Pak Chun-pyong, DLP secretary-general, Kim Tong-yong, floor leader,

Kim Yong-hwan, chief policy-maker, and Pak Chol-un, first state minister for political affairs, DLP spokesman Pak Hui-tae announced.

No, who is expected to become party president in a ceremonial national DLP convention in May, was not appointed to the committee, Pak said. He did not elaborate on the reason.

The other members from the DJP are Reps. Chong Suk-mo, Kim Yun-hwan, Yi Han-tong, Yi Chun-ku, Yi Chong-chan, Sim Myong-po and Chong Sun-tok, all former DJP secretaries-general, and Reps. So Chong-hwa, a former home minister, Yi Cha-hon, a former communications minister, Yi Tae-sop, a former science and technology minister, Kim Chong-ho, a former home minister, and Nam Chae-hui and Yim Pang-hyon, both former chairmen of the DJP Central Committee.

Others are DLP lamakers Yi Chi-ho, chairman of the National Assembly Legislative-Judiciary Committee, Sin Sang-sik, chairman of the assembly Finance Committee, An Pyong-kyu, chairman of the assembly Agriculture-Fisheries Committee, Choe Un-chi, O Yu-pang, Kim Chong-ki, Na Chang-chu and Chi Yun-tae.

The other committee members from Kim Yong-sam's now-defunct Reunification Democratic Party (RDP) are Reps. Kim Chae-kwang, vice speaker of the National Assembly; Choe Hyong-u, a former RDP floor leader; Hwang Myong-su, a former RDP vice president; Hwang Pyung-tae and Kim Tong-kyu, both former RDP chief policy-makers; Pak Chong-yul, a former RDP secretary general; and Pak Kwan-yong, Chong Sang-ku and Kim Tok-yong. Former RDP Vice Presidents Kim Su-han and Kang In-sop, not lawmakers, rounded out the numbers from Kim's old party.

Other members of the committee from Kim Chong-pil's old party, the New Democratic Republican Party (NDRP), are former NDRP Vice Presidents Ku Cha-chun, who was Seoul mayor under President Pak Chong-hui, Yi Pyong-hui and Yi Chong-kun; former NDRP Floor Leader Kim Yong-chae; former NDRP Secretary-General Choe Kak-kyu and Rep. Kim In-kon.

The DLP standing advisers include former DJP Chairmen Pak Chun-kyu, Chae Mun-sik and Yun Kil-chung; Yu Hak-song, chairman of the National Assembly Defense Committee; and former lawmakers Kim Chong-nae from the DJP; Kim Myong-yun, a former RDP acting president; Kwon O-tae, a former RDP vice president; and Choe Chae-ku and Kim Hyo-yong, both former NDRP vice presidents.

Five places on the committee were left vacant and will be filled with non-DLP heavyweights who will join the ruling party later, Pak said.

The Party Affairs Committee is also empowered to recommend presidential candidate, revise the party charter and rewrite regulations.

Former DJP Chairman Pak will be designated speaker of the National Assembly, succeeding Kim Chae-sun, a DLP source said.

Kim Yong-sam Predicts 'Failure' of Chong's Bid

SK2003025690 Seoul THE KOREA HERALD in English 20 Mar 90 p 2

[From the "Out and About" column: "Chong Ho-yong's Bid"]

[Text] Kim Yong-sam yesterday cautiously predicted that Chong Ho-yong's ongoing bid to come back into politics by running in the Taegu by-election would end in failure.

Stressing that the corner stone of democracy is parliamentary politics, Kim said that Chong's political life may end in disgrace if he misses the right time for taking the right action, expressing hope that Chong would withdraw from the by-election scheduled for April 3.

"Whatever action he (Chong) may take, I will be in Taegu immediately after returning from my Moscow visit to support Mun Hui-kap, a ruling party candidate for the by-election," Kim said.

Kim also said that he had a telephone conversation with Chong recently during which he felt he dissuaded Chong from running in the by-election.

Chong's Wife Tells Reasons for Suicide Attempt

SK2003025090 Seoul THE KOREA HERALD in English 20 Mar 90 p 2

[From the "Out and About" column: "By-Election Candidate"]

[Text] Kim Suk-hwan, wife of former ruling DJP [Democratic Justice Party] lawmaker Chong Ho-yong, yesterday said that her husband would not withdraw from the by-election in Taegu.

Admitting that she attempted suicide to protest what she described as the "tremendous pressure" being exerted on her husband, relatives and friends, she said the most agonizing experience for her family in recent weeks were threats of tax investigations into her husband's close friends in connection with their campaign contributions and around-the-clock surveillance by intelligence agents of her husband and election campaigners.

Dissidents Meet To Discuss Party Formation

SK2003091090 Seoul YONHAP in English 0840 GMT 20 Mar 90

[Text] Seoul, March 20 (OANA-YONHAP)—A group of 16 prominent dissidents gathered at the Korea Bar Association Building here Tuesday to reaffirm their determination to organize a political party based on the support of the masses.

Winding up the meeting, the dissidents said, "Our party was conceived in response to the public resentment against the recent political realignment and in view of the need to form a political force based broadly on the grassroots."

The group comprised scholars, artists, lawyers and farmers attended the meeting. [as received]

Calling their meeting a "democratic coalition promotion committee for the construction of a grassroots party," the dissidents said they would seek mutual understanding and collaboration with other opposition parties and democratic forces in their fight against the "anti-democratic dictatorship" of the incumbent ruling party.

Another dissident coalition, formed earlier for a similar purpose and called "a preparatory meeting for the organization of a progressive party," has expressed its willingness to join their movement, they said. The coalition is a breakaway group from Korea's biggest dissident organization, the National Alliance of Democratic Movements (NADM).

The first preliminary meeting for the formation of the new political party is scheduled for March 26.

Debates among the nation's dissident groups over whether to form a political party have been thriving, especially after two of the three opposition parties sided with the ruling party to create the mammoth ruling Democratic Liberal Party in a surprising political realignment last month.

Workers Stage 'Violent Rallies' in Five Cities

SK1903030690 Seoul YONHAP in English 0254 GMT 19 Mar 90

[Text] Seoul, March 19 (YONHAP)—Police detained 1,552 protesters Sunday as an outlawed union group held violent rallies in five big cities in South Korea, vowing to make a determined struggle for higher pay and resist the government's hardline policy on labor unions. Police released 1,545 people Monday with admonitions, four were referred to summary judgement and three were still being questioned.

Yonsei University in western Seoul, the original site for the protests, planned by Chonnohyop (the National Alliance of Trade Unions), was sealed off by riot police posted on roads and outside subway stations around the campus. Police mobilized 15,000 riot troops across the country to prevent rallies.

Leaders of the union group regrouped and were joined by 500 workers and students in a church in eastern Seoul, where they declared their determination to hold the annual spring wage offensive together with other dissident forces. They also denounced the "grand conservative alliance," referring to the creation of a new ruling party last month by merging the ruling party with two opposition parties.

In Inchon, 500 workers rampaged through the streets for two hours, hurling 200 firebombs at riot police after a rally. Violent protests were also reported in Pusan and Taegu.

Students Burn No Tae-u in Effigy 16 Mar

SK1703033690 Seoul THE KOREA HERALD in English 17 Mar 90 p 3

[Text] Hundreds of students holding antigovernment rallies yesterday at university campuses in Seoul burned President No Tae-u in effigy and violently battled with riot police, witnesses said.

The students were protesting the recent merger of three political parties into one large grouping, the ruling Democratic Liberal Party. The demonstrators said the merger constituted an increased repression of both democracy and a free labor union movement.

Poll: Majority Thinks Wage Hikes 'Excessive'

SK2003021890 Seoul THE KOREA TIMES in English 20 Mar 90 p 3

[Text] A majority of Korean workers view that the wage hikes in recent years were too steep and "excessive" as compared with the scale of the national economy, a survey said yesterday. A large portion of polled workers are also opposed to political activities by labor unions, according to the survey.

These rather conservative views were bared in a recent survey of 2,175 workers picked through random sampling, conducted by the Korea Labor Institute and the Population and Development Research Institute of Seoul National University.

According to the survey result, 63.6 percent of the surveyees said it is undesirable for labor unions to engage in political activities in solidarity with political parties or social organizations. Only 15.2 percent of them showed affirmative reactions to unionists' political activities. At the same time, 73 percent took negative views of labor unions' overt support for any one political party or candidate in election campaigns.

As for intervention in labor disputes by dissidents or labor activists, 65.4 percent of the pollees had negative reactions, while 34.1 percent responded that it is not so bad.

Over the necessity of a new progressive political party, 51.1 percent of the workers responded it is not necessary yet, while 48.1 percent said that it is necessary, according to the survey report.

Asked what they think about the outlawed National Council of Labor Unions or "Chonnohyop," 49.8 percent of the respondents said they oppose the radical activist group, while 21 percent of them said they support it.

As far as wage increase are concerned, 58 percent of the respondents said workers have demanded too much in disregard of the present conditions of companies and the national economy, the survey showed. On the contrary, 415 percent of the pollees said the wage hikes are still far from satisfactory, the survey said.

* Three-Party Merger Affects Economic Policy

* More Influence Expected

902C0124A Seoul HANGUK KYONGJE SINMUN in Korean 23 Jan 90 p 3

[Article by Reporter Chong Man-ho: "How the Grand Conservative Merger Will Affect Economic Policy"]

[Text] The grand conservative merger and the anticipated constitutional amendment to introduce the cabinet form of government—this apocalyptic change in the political map is bound to bring about a sweeping change in the economy. This is because change in the political world, or the "superstructure," is bound to have an impact on the economy, or the "infrastructure."

In the wake of the announcement on the outcome of the 22 January Blue House meeting, stock prices shot up indicating that, for the time being at least, the positive view that the grand conservative merger will result in economic stability is dominant. But, it is too early to predict the possible impact on the economy in concrete terms.

Nevertheless, economic experts are in agreement that the reorganization of the political world will operate as a variable in many aspects, such as the process of formulating and executing economic policy, an area which has hitherto been dominated by the bureaucrats; enacting reform-oriented legislation including the law requiring the use of actual personal names on financial papers; labor-management disputes, and the influence of the business community.

It is certain that the party will exercise far greater influence on economic policy.

From the October Yusin [Revitalizing Reforms] until now, the successive ruling parties, despite appearing to be the parties in power, were not "the parties in which government power originated," and bureaucratic experts in fact exercised dominant influence on the whole policy domain, from formulation of policy to its execution, for one reason or another.

It is a fact that the bureaucracy has taken the initiative even in such important policy matters as the system of using real names on financial papers and the concept of land as property serving public interests, matters which will have a great impact on the election.

It is too early to predict how the cabinet composition will change as a result of the so-called grand conservative merger. But even officials of the economic ministries are agreed that the party-government consultative council on economic policy, whose function has hitherto been a mere "formality," will change in such a way that the party will have a greater voice.

Even if there is to be no constitutional revision changing to a cabinet form of government, it is certain that when incumbent National Assembly members come to hold cabinet posts in droves, it will result in a drastic change in the personnel makeup of officialdom. If the road to cabinet posts is likely to be virtually closed to nonpoliticians such as career bureaucrats and university professors, the weather map of officialdom is bound to change drastically.

It may be said that for political parties to take the initiative in economic policy and take responsibility for its outcome is basic to democratic government. Accordingly, as far as logic is concerned, monopoly by politicians of the posts of economic ministers poses no problem.

However, given the realities in our country, it is possible that for those people who attach greater importance to their political interests than to economic logic come to have more influence on economic policy there will be adverse side effects. This is even more possible in view of the fact that the "policymaking capability" of present politicians is not at the desirable level.

Consideration on practicability is expected to increase in enacting reform-oriented legislation, such as the law requiring the use of real names in financial papers, and this is related to the influence of the financial world.

If the grand conservative merger is, as they say modeled after the Japanese Liberal Democratic Party, the financial world is expected to wield greater influence. In Japan, even the press calls the chairman of the Federation of Economic Organizations (Keidanren) the "prime minister of the business world." This has been the result of a process by which the influence of the financial world has gradually increased as the conservative forces have remained in power for a long time through factional alignments.

In Korea, it is too early to predict what place the grand conservative party will stake out for itself, but the financial community is bound to exercise greater influence in the context of the relationship between the prime minister and the financial community under the cabinet form of government than in the context of the relationship between the president and the financial community under the current presidential form of government.

Moreover, because even before the cabinet form is introduced, "diverse forces" will band together in the party in power, and because the status of the prime minister and the senior supreme council member under the new system is expected to be different from that of the prime minister and the party chairman under the current system, the contact points between the political and economic worlds will also become diverse.

There is one issue which needs be mentioned in connection with the relationship between the financial world and the ruling party, and it is the issue of rescuing our domestic enterprises.

In Japan, because the zaibatsu was dissolved by MacArthur headquarters before the Liberal Party and the Democratic Party merged to form a so-called united conservative force, the business community was led by expert entrepreneurs.

In Japan since there was no fear that any social problem would arise from a concentration of economic power in the hands of a handful of particular individuals, the adverse side effects of the grand conservative union and the cohesion of the political and economic worlds could be overlooked. Seen from this point of view, it is possible that the relationship between the ruling party and the business community under the grand conservative union in our country will cause more problems than it has in Japan.

Needless to say, it is wrong to assert that the increasing influence of the business community is something necessarily undesirable. This is because politics and economics should be on an equal footing with respect to each other. Nevertheless, it is feared that if this is the case, the increasing influence of the business community may have some ill effects.

Reportedly, on 22 January there was very speculation that the introduction of the system requiring the use of real names on financial papers might be postponed. But considering that this system and other similar reform-oriented legislation may be used as an indicator of the morality of the political world, it is hard to expect that "tangible changes" such as the postponement of their implementation will immediately follow.

Nevertheless, the change in the status of the ruling party from minority to majority increases the possibility that the management of the economy, which formerly has been overly concerned with justifying policy, will be shifted to "realistic management." It is expected that at least in the process of policy execution, "efforts" will be made to minimize the adverse side effects by adjusting the speed of execution.

It is also difficult to determine what immediate effect the recent grand conservative merger will have on labor disputes. Assuming that most people want stability, and the conservative merger reflects this desire, it is possible that the societal attitude will move toward favoring a curbing of radical disputes.

However, depending on developments, such as the reaction of the PPD, it is possible that the merger will provide an excuse for students to touch off a radical reaction.

Some claim that the reorganization of the political world should be accompanied by a reorganization of the economic system. They maintain that inasmuch as the situation is such that the politicians will exercise greater influence on the economy, some safety device is needed to shield the economy from adverse side effects.

For instance, the independence of the central bank should be strengthened institutionally. Moreover, it is pointed out that if the grand conservative merger, as well as the anticipated constitutional revision to introduce a cabinet form of government, is intended to attain a state of maturity for democracy, all kinds of administrative restrictions and systems which have constrained the private sector of the economy, should be readjusted accordingly.

* Redirection of Policy

902C0138A Seoul HANGUK ILBO in Korean 8 Feb 90 p 8

[Article by reporter Pak Mu: "The DLP's New Economic Policy Direction: Repercussions and Background"]

[Text] The announcement on 6 February by the new conservative coalition Democratic Liberal Party [DLP] (tentative name) of its intention to form an economic countermeasure special committee and to shift the basic orientation of its economic policy from "stability" to "growth first" is creating quite a stir mainly among concerned ministries and agencies of the government and financial circles. The policy shift toward growth as the first priority, as put forth by the DLP, is drawing expectations as well as concerns at the same time. The question as to what led to such a policy shift is raising a strong sense of apprehension.

To begin with, a careful observation of the emerging reactions from various quarters to the DLP's policy shift generally fall into the following three categories:

The first category welcomes the shift that gives precedent to growth and is willing, at least for now, to monitor its progress with some expectations; this reaction is prevalent mainly among the growth advocates within financial circles and some government agencies including the Ministry of Trade and Industry.

The second category not only views the shift with grave concern but also opposes it strongly; this reaction is prevalent among the stability advocates, who insist on equilibrium between reform and social welfare, who are comprised of the bureaucrats at most of the government agencies concerned with economic affairs, including the Economic Planning Board and the Ministry of Finance, and economic specialists within academia.

The third category attaches no particular significance to the so-called policy "shift." This reaction is coming from such groups as the DJP's [Democratic Justice Party] policy coordination staff, or segment of the bureaucrats with economic affairs agencies of the government, the economic specialists of certain related research institutions, and a fairly large group of economic scholars. Their position is that the current state of the economy does not call for a choice between stability and growth, that, moreover, the basic tone of the existing policy is not biased solely toward stability, and that, therefore, talking about shifting the

policy thrust to growth is a case of empty sloganeering devoid of any meaning in policy terms.

In addition to these varied, conflicting reactions, also emerging are just as varied interpretations of the background reasons that possibly led the DLP to come forth with a professed change in direction of the policy thrust. The diversity of these interpretations and conjectures is evident in the following examples: Some say it is a manifestation of long-accumulated frustrations on the part of the ruling party with the performance of the current economic team led by Deputy Prime Minister Cho Sun. Some view it as an indication that the economic policy has assumed a somewhat darker shade of the conservative coloration as a result of the super imposition of the RDP/NDRP's [Reunification Democratic Party] [New Democratic Republican Party] color over the DJP's. Some say it is a product of an attempt by the new party—now that it has come into being—to arouse the people's interest and confidence by presenting to them some new approach to solving the economic problem, which is the most urgent of all pending problems at the moment. Some believe that it is a step taken based on the judgment, backed by a genuine sense of crisis over the state of economy, that another powerful drive for economic growth must be undertaken.

Some people are even saying that it was a case of miscommunication. They explain that, although the DJP's chief policymaker, Yi Sung-yun, did use the phrase "a shift toward growth first," he was not suggesting a return to the old days when a "growth-centered" or "growth first" policy was pursued in complete disregard of stability. Rather, they say, all he meant to say was that various remedial measures to the current economic situation ought to be strengthened. What happened, according to these people, was that an attempt to convey the intended emphasis on strong reflationary measures—for example, a further lowering of interest rates and injecting more flexibility to the management of foreign exchange rates—was expressed incorrectly by the use of the phrase "a policy shift toward growth first and foremost." This interpretation of the phrase is shared by many of the DJP's policymaking officials.

Despite such varied, conflicting reactions and divergent interpretations, one thing is quite clear: the DLP, the new ruling party, has a sense of awareness regarding the gravity of problems inherent in the current economic situation and in the government's overall economic measures to deal with the situation. By extension, therefore, the DLP clearly intends to seek a dramatic change of one kind or another in the direction of the overall economic policy.

People on the streets are now saying that the 1980's in South Korea have been an era marked by a life of ease, leisure and idleness.

What they are saying is that the 1960's were a period when the people of South Korea stood on a ruined land and with their bare hands began to develop their economy, to lay the groundwork for growth, and to export everything that was worth any money—including rocks—to build the foundation for national prosperity on the strength of exports; that the 1970's were an era during which roads, harbors, and dams were built, and the road to high growth was paved with the construction of large-scale industrial parks and investments in heavy and chemical industries; but that in the 1980's, by contrast, nothing has been achieved in the interest of the nation's future, even though there was a period of high elation over, and indulgence in the prosperity brought on by the "three lows"—induced boom conditions [three lows: low energy cost, low value of the U.S. dollar, and low inflation].

It is the assessment of these people that the nation wasted away the good opportunities that were present during the 3-year boom that began in 1986—wasted them by indulging in sophisticated financial management, speculative investments, and excessive consumption, rather than taking advantage of them to develop technologies, to invest in plants and equipment, and to invest in such other areas dear to the people's livelihood as industrial facilities, transportation, environmental protection, and medical care. More recently, they say, even the stability of prices and the favorable trend in the balance of payments position—the only two good things achieved during the 1980's—have been shattered, leaving nothing positive to pass on to the decade of 1990's. There are many who wonder out loud how the nation could possibly have managed to expand its economy during the 1980's had it not been for the large-scale investment made in heavy and chemical industries in the late 1970's despite the less than favorable conditions which existed at that time. Applying the same reasoning in reverse, it is a foregone conclusion that our economy will, indeed, be in serious trouble in the 1990's simply because nothing good was achieved during the 1980's.

Here, then, lies the very essence of the argument that the South Korean economy is in a critical state—an argument that is creating quite a stir lately. To wit, South Koreans have wasted away the decade of 1980's by indulging in a life of ease, leisure and idleness. Many things which should have been done in the 1980's were not done—things such as developing technologies, improving productivity, reforming business management and strengthening the constitution of business, fine-tuning the industrial structure, and undertaking wide-ranging reform of the economic system; consequently we are now faced with an economic crisis.

It is this kind of a macro-assessment as noted above that seems to have formed the background that led to the DLP's problem-awareness vis-a-vis the current state of the economy, its discontent with the performance of the present economic team, and its judgment that a shift is needed in the basic tone of the economic policy. To put it another way, the DLP is not airing its discontent on the basis of such micro-factors as inadequate reflationary

measures and misdirected specific approaches in dealing with monetary affairs, interest rates, and the foreign exchange question.

Since the inception of the Cho Sun-led economic team at the onset of the Sixth Republic, the government's economic policy has lacked direction and any sense of a goal; at times the policy seemed devoid of any fixed principle and the team seemed to be aimlessly thrashing about in confusion under the pressure of public opinion. The policy espoused equity and welfare but has led t opposite results. The policy has overlooked the fact that inflation tends to exacerbate the gap between the haves and the have-nots by making the rich richer and the poor poorer, thereby causing not only economic uneasiness but also the structural instability. The policy made a a point that growth necessarily had to be sacrificed in the interest of stability; in retrospect, however, it has consistently fanned speculative investments and fueled inflation.

The policy failed to recognize that equity's public enemy number one is inflation, and the first task in enhancing the public's welfare is to ensure stability in employment and provide housing. Deputy Prime Minister Cho Sun is said to have defended his cautious stance against those advocating unconditional growth by saying "too much fertilizing will only result in uncontrolled growth of weeds." He put all the emphasis on conserving the fertilizer while neglecting to pull the weeds that were already growing. Debating the soundness or unsoundness of the argument in favor of giving precedent to growth as suggested by the DLP is not what is important today.

It is not important because the economy right now is neither growing nor being particularly mindful of stability—it is simply drifting, as if to say that "no policy is the best policy." Moreover, what is being suggested by the DLP is not a shift from the stability-oriented policy to a growth-centered policy. A more reasonable interpretation of it would be to take it as a form of appeal—a call for renewed efforts to achieve another economic leap forward with a national sense of unity and purpose by undertaking a sweeping overhaul and reform of the economic policy in general, and by clearly defining the new goal to which the South Korean economy must be directed.

Burma

Information Commitee Holds 82d News Conference

BK1703103090 Rangoon Domestic Service in Burmese 1330 GMT 16 Mar 90

[Excerpts] The Information Committee of the State Law and Order Restoration Council [SLORC] gave its 82d news conference for local and foreign newsmen at the reception hall of the Ministry of Defense at 1300 today. [passage omitted] At the news conference, the Information Committee explained the activities of some political parties and the seizure of heroin during a raid on the camp of the 6th Battalion under the insurgent Kachin Independence Army's [KIA] 2d Brigade. The Information Committee officials said the journalists will first be briefed about the work of some political parties. They said: It has come to our attention that some political parties and organizations recently made a joint decision. They decided to ask for a meeting with the SLORC to discuss Order No. 3/90 of 23 February 1990 which permits the right to assemble and conduct political campaigning. They said the order was too rigid and restrictive and therefore they want the SLORC to relax the order.

Regarding this question, we wish to make it quite clear. We will be holding the elections in just over two months' time, and it is necessary that peace and tranquillity prevail. It is also essential for the (?prevalence of law and order). We will not tolerate anything that will disrupt the prevailing tranquil situation. Political parties taking part in the elections should do their duties and lend a helping hand in the collective effort to prevent the recurrence of unrest. The SLORC issued the order in question with security in mind, and hence assembling, campaigning, and making speeches in accordance with the restrictions without disrupting peace will be permitted. [passage omitted] What we want to tell some political parties is that they should work within the rules for the success of their parties in the elections; they should not be thinking of or making demands and should not put us in a corner through political means. We have done everything that should have been done.

Continuing, the spokesman said the BANGKOK POST of 2 March carried a report, entitled: "No Poppy at Kachin State," which was [a letter to the editor] written by N. Shang La of the Kachin Independence Organization. [passage omitted] We have explained the seizure of stocks of white powder in plastic bags during an attack on the camp of the 6th Battalion of the insurgent KIA's 2d Brigade by our Defense Forces. Photographs of those bags were also taken. We sent the white powder for testing to the authorities concerned and have completed the tests on 12 March. We can now confirm that they are heroin weighing 3.029 kilograms. [passage omitted]

The spokesman later answered questions from journalists. [passage omitted] He said information was received that disturbances will be instigated by holding ceremonies to mark the second anniversary of the death of Phone Maw [a Rangoon Institute of Technology student who was the first casualty during the 1988 demonstrations]. From previous investigations as well as from the documents seized and pamphlets distributed, we understand that the intent was to create disturbances. We have brought in 19 from Yangon [Rangoon] and 17 from Mandalay for interrogation. Legal action will be taken if we find that any law was violated.

Regarding a question by the ASAHI SHIMBUN correspondent about the broadcast by the Voice of America this morning, the spokesman said that there was no extradition treaty between our country and the United States. There has been no official request yet for the arrest of Khun Sa. In the news conference held by the secretary-1 [Brigadier General Khin Nyunt] on 9 September, we have already explained Khun Sa's strength. Catching Khun Sa is not as easy as catching a chicken. We will not condone another country's violating our sovereignty and territorial integrity. This does not mean that we are trying to protect Khun Sa. It is common knowledge that we ourselves are fighting Khun Sa, who is an insurgent. What we are trying to say is that it is international norm not to violate the sovereignty of another country. [passage omitted]

Political Leader Predicts Free, Fair Election

OW2003114690 Tokyo KYODO in English 1014 GMT 20 Mar 90

[Text] Yangon [Rangoon], March 20 KYODO—U Aung Gyi, leader of one of the six major political parties vying in the upcoming general election in May, said Tuesday he was confident the election would be free and fair. "Doubt about a free and fair election is being entertained more outside the country than inside," U Aung Gyi told reporters. "This is due to ignorance of the local situation and also because of biased reports and propaganda by some foreign missions which are deeply involved in local party politics," he said. But U Aung Gyi, who heads the Union Nationals Democracy Party (UNDP), also said that election campaigning under military rule could not be free as in democratic nations. But he was confident there would be no government interference and said there was no evidence that the military was taking sides with any of the contesting parties.

Other major parties include the former governing Burma Socialist Program Party now renamed the National Unity Party (NUP), the National League for Democracy (NLD) led by Aung San Suu Kyi, daughter of the late national hero Gen. [General] Aung San, and the League for Democracy and Peace (LDP) led by former Prime Minister U Nu. Aung San Suu Kyi has been under house arrest since July last year on charges of inciting unrest, and U Nu since last December for forming a parallel government which he refused to dissolve. Altogether 2,311 candidates, including 88 independents, representing 93 parties are standing in the election, scheduled for May 27. It will be the first multiparty election in 30 years.

Karenni Group Warns About Upcoming Polls

BK1703051090 Bangkok THE NATION in English 17 Mar 90 p 4

[By Yindi Loetcharoenchok]

[Text] An armed ethnic Karenni group recently sent a letter to Burmese leader Saw Maung saying the Rangoon government had no right to hold the planned general election in the Kayah (Karenni) State. The letter also warned Saw Maung's military government that untoward incidents may occur during the multiparty election slated for May 27. "In the case any election is undertaken, the overseer commission must be held solely responsible for any incident that may occur during the unlawful election," said the statement dated Feb 12 by Pyar Reh, undersigned as president of the Karenni Government in Kayah State. The planned balloting would be the first in nearly three decades since the Burmese military under Gen Ne Win overthrew the elected civilian government of U Nu in 1962.

A copy of the letter was also sent to the president of the election commission of the Kayah State, townships and quarters including all candidates stating that they were to be held responsible for any incident. "All recipients of this (statement) shall be held responsible for any incident that may occur in the event when the prohibited election is undertaken," according to Pyar Reh, who is also leader of the Karenni National Progressive Party (KNPP). The KNPP is one of about a dozen armed ethnic groups which are militarily active in Burma's jungle border areas and have been fighting Rangoon for decades for autonomy. The statement, a copy of which was obtained by THE NATION, said: "The Kayah (Karenni) State is not a part of Burma. Therefore no multiparty election for democracy can take place in it."

To support his argument, Pyar Reh cited various historical documents and agreements which have stated the independence and sovereignty of the Karenni State. Among the documents are an 1875 agreement between a British representative of Queen Victoria and a representative of Burma's King Mindon; two British Foreign Department's notifications; and the 1942 treaty and agreement between a representative of the Japanese Army and the then prime minister of Burma Dr Ba Maw, in which "the Karenni State was recognized and treated as a separate administration from that of the government of Burma." The letter also said the Karenni was not among other Burmese ethnic groups which worked with Burma's independence hero Aung San in stamping out a national unity in order to gain independence from Britain. "The incorporation of Karenni State by the 1947 draft constitution (prior to Burma's independence) is the deprivation of Karenni fundamental human rights, and an insult to Karenni human dignity. Altogether it is an act of political malevolent hegemony," it said. Pyar Reh said the continuing Burmese army's military operation against the Karenni was "a war of annihilation".

Cambodia

VONADK Reports 10 Villages 'Liberated'

BK1803024090 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 17 Mar 90

[Text] On 10 March, our Cambodian national resistance forces attacked and dismantled administrative networks of the Vietnamese enemy and puppets in two communes, Prasat and Svay Sar, in Varin District [Siem Reap Province]. We killed 22 enemy soldiers and wounded 40 others; another eight were taken prisoner. We seized an 82-mm mortar, four RPD's, 10 AK's, and a quantity of other war material. We liberated 10 villages—Chan Run, Tumnop Svay, Kap Dai, Vien, O, Svay Sar, Russei Toch, Russei Thom, Kouk Phneou, and Cha—and freed a large number of village and commune officials.

More SRV Troops to Preah Vihear Reported

BK1803022690 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 17 Mar 90

["Special report on the dispatch of Vietnam's Division 307 to Tbeng Meanchey, Preah Vihear Province"]

[Text] Vietnamese forces were recently brought from the east, from the direction of Stung Treng Province, and stationed in Tbeng Meanchey, Preah Vihear Province. Earlier, at the beginning of March, the Vietnamese enemy brought the 1,000 genuine Vietnamese reinforcements from Vietnam's Divisions 307 and 315 to Preah Vihear Province. Now, another 500 soldiers from the 307th Division have been dispatched to Tbeng Meancheay in Preah Vihear Province. National Resistance forces killed or wounded 17 Vietnamese soldiers during a battle. In the same battle, four Cambodian soldiers were also captured. In their report, these Cambodian soldiers clearly confirmed that the 500 fresh Vietnamese troops do indeed belong to Vietnam's 307th Division.

ANS Capture of Balang District Seat Reported

BK2003070490 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 20 Mar 90

[Text] Members of the Sihanoukist National Army [ANS] who not long ago attacked and captured 13 villages in Varin District, Siem Reap Province, recently attacked and captured the Balang district seat, 40 km northeast of the Kompong Thom provincial seat. A report by the ANS High Command said the Balang district seat fell under full ANS control following a 30-minute attack launched at 1400 [0700 GMT] on 15 March by combatants of the ANS 1st Brigade. The ANS seized 20 AK-47's, three B-40's, and a large amount of ammunition.

The same report went on to say that on 11 March, ANS combatants captured the Krayea position, another strategic base of the Vietnamese-Heng Samrin forces in

Stoung District, Kompong Thom Province. They captured 42 Vietnamese-Heng Samrin soldiers in the attack. The sources revealed that among the captured Vietnamese-Heng Samrin soldiers were a regiment commander and a battalion commander. One hundred and seventy-nine assorted enemy firearms were also seized. On the same day, in an attack on the Russei Thom position in the Varin district seat, Siem Reap Province, the ANS also took 150 prisoners. The sources also stressed that the approximately 200 Vietnamese-Heng Samrin soldiers captured by the ANS in the attacks on the two positions were given medical treatment and good care. These former Heng Samrin soldiers have since been permitted to return to their hometowns.

Sihanouk Wants Solution Based on 5-Point Plan

BK1703073890 (Clandestine) Voice of Democratic Kampuchea in Cambodian 2330 GMT 16 Mar 90

[Text] The president of Cambodia, Samdech Norodom Sihanouk, said in Bangkok on 14 March that only a political solution based on his five-point peace plan could restore peace in Cambodia. Otherwise, a just and rational comprehensive political settlement of the Cambodian problem can never be achieved. The samdech added: Vietnam and the puppet Hun Sen are the ones who scuttled the Jakarta informal meeting on Cambodia. They are attempting to prevent the United Nations from verifying Vietnam's implementation of a colonialist policy against Cambodia and from establishing an actual border between Cambodia and Vietnam. At present, the Cambodian resistance forces have scored significant victories on the battlefield. Since Vietnam has suffered continuous large defeats, it has shipped over 20,000 fresh troops to Cambodia.

Phnom Penh Stresses Terms for Political Solution

BK1703091590 Phnom Penh Domestic Service in Cambodian 1300 GMT 16 Mar 90

[Station commentary: "Any Political Solution Should First of All Take Into Account the Cambodian People's Vital Interests"]

[Text] A political solution to the Cambodian problem is more clearly emerging from a dark tunnel. So far, many forums have been set up to solve the Cambodian problem; there are regional and international arenas, including the UN Security Council, which have led to a flurry of diplomatic activities. Through these forums, many initiatives have been put forward and formulas discussed to quickly extinguish a raging fire in Southeast Asia. The Cambodian people, living in the nearly 20-year-old burning fire, have welcomed every forum and initiative to reach a just and correct solution. What is a correct and just solution?

A correct and just solution is one which takes into account the Cambodian people's interests, namely life in peace, security, and happiness free from the threat of genocidal policies. Therefore, a political solution acceptable to the Cambodian people is one which discusses the guarantee to prevent the return of the genocidal Pol Pot regime for the second time. Although they hate war and ardently aspire for peace to restore and build the motherland, the Cambodian people certainly do not need peace that brings along with it the genocidal Pol Pot regime. The Cambodian people do not need the kind of peace that during the 1975-1979 period was full of blood and tears. The souls of more than 3 million perished Cambodians have awakened the consciences of all Cambodians to be on their guard about this kind of peace.

The consistent implementation of genuine national reconciliation policies by the State of Cambodia Government is aimed at ending as soon as possible the Cambodian people's suffering. However, the State of Cambodia will certainly not risk the Cambodian people's lives with the genocidal Pol Pot regime for the second time. The Cambodian people categorically oppose any political solution that accepts the establishment of a four-party government before elections. This is tantamount to recognizing the legitimacy of the murderous Pol Pol clique. The Cambodian people certainly do not agree with any initiative that attempts to dissolve the two existing Cambodian governments; this would pave the way to the eventual return of the genocidal Pol Pot regime. Therefore, as masters of the destiny of the country and nation, our people would like to remind personalities and activists, who have been making efforts to achieve a solution on the Cambodian problem, to be clearly aware that any political solution should first of all take into account the Cambodian people's vital interests.

Svay Rieng Reviews 1989 Troop Recruitment Work

BK1703085090 Phnom Penh Domestic Service in Cambodian 1200 GMT 16 Mar 90

[Text] A meeting was recently held at Svay Rieng Province's party school under the chairmanship of Comrade Heng Samkai, member of the party Central Committee and secretary of the provincial party committee, to review troop recruitment work in 1989 and to set targets for implementation in 1990. Comrade Mok Sim, permanent member of the provincial party committee and chairman of both the provincial front and recruitment council, presented a report on the troop recruitment achievement scored in 1989 and the target set for 1990. According to the report, 554 recruits were recorded over the planned annual target. Taking the floor, Comrade Heng Samkai called for efforts to properly administer the new recruits and, in particular, to improve their living conditions and their political knowledge so they can more clearly see the progress and development achieved by the State of Cambodia, then become intensively furious at poisonous maneuvers carried out by all types of enemies.

Sar Kheng Visits Prey Veng Province 13-15 Mar

BK1903080990 Phnom Penh Domestic Service in Cambodian 1300 GMT 18 Mar 90

[Text] Between 13 and 15 March, Comrade Sar Kheng, member of the party Central Committee's Political Bureau and Secretariat and chief of cabinet of the party Central Committee, paid a working visit to Prey Veng Province to assess the outcome of army building work; inspect schools and hospitals in some communes; and meet with cadres, personnel, combatants, monks, and people in various localities in Kompong Trabek District.

On that occasion, Comrade Sar Kheng took part in a meeting to sum up the outcome of local construction work in the province. In his address at this meeting, Comrade Sar Kheng praised the work efforts made by all sectors and levels in the province. He also commended the courageous sacrifices made by cadres, combatants, and people in Prey Veng Province in carrying out national defense tasks and particularly in serving the battlefield in order to protect the Cambodian people's lives and the Cambodian national society's achievements. Comrade Sar Kheng pointed out the position of strength and victory of our armed forces over the enemies, particularly on the battlefields in Battambang, Banteay Meanchey, and Siem Reap-Oddar Meanchey Provinces.

The comrade also compared the national construction work and the better living conditions in the new regime to those of the previous regime. He said that during the past 11 years, thanks to the correct leadership of the Cambodian party and state, our motherland and people have been enjoying a new and better life with confidence in a prosperous future for their nation. Our people have enjoyed full rights and freedoms and have taken part in building and defending the country and in protecting their national culture, civilization, and religious beliefs. The comrade stressed that the total withdrawal of Vietnamese volunteer troops from Cambodia was not caused by the enemies' pressure but by all-round development and growth of our people's mastery and sense of responsibility for national defense. Moreover, out of their desire to end the war in Cambodia and ensure peace and security for our people, the party and state of Cambodia have proposed a goodwill policy for national reconciliation at all forums of negotiation aimed at a political solution to the Cambodian problem. To the contrary, the Cambodian opposition groups—particularly the genocidal Pol Pot gang—have continued to seek every means to topple the State of Cambodia in an attempt to return to power and renew their massacre against the Cambodian people.

The comrade exposed the design and activities of Samdech Sihanouk, who has been trying to protect and help the genocidal Pol Pot clique to return to power in Cambodia. The recent unsuccessful informal meeting in Jakarta also laid bare the three Cambodian reactionary groups' design to continue the war. Comrade Sar Kheng also exhorted the provincial and district party committees and people's committees, cadres, combatants, and people to consolidate their unity and mutual assistance in carrying out all defense and construction tasks to make our nation peaceful and prosperous; have confidence in the leadership of the party and the State of Cambodia; and strive to firmly defend our national achievements and our people.

Visits Commune 17 Mar

BK1903060690 Phnom Penh Domestic Service in Cambodian 0430 GMT 19 Mar 90

[Summary] On the afternoon of 17 March, Comrade Sar Kheng, member of the party Central Committee Political Bureau and chef de cabinet of the party Central Committee, attended a ceremony inaugurating the building of a primary school in Prey Puoch Commune. He also visited cadres, people, the clergy, and families of fallen and disabled combatants and defense workers in Prey Puoch Commune, Phnum Penh District, Kandal Province. Talking to the people, Sar Kheng recalled the all-round development of the State of Cambodia in the past 11 years. He denounced Sihanouk for embracing the Pol Pot group and enemy maneuvers to disrupt the people's peaceful lives. Sar Kheng also thanked the people for their sacrifice and contribution to national defense and handed over 10,000 riel for the building of the Prey Puoch Primary School to the ceremony's organizing committee.

Education Minister Pen Navut Dies 16 Mar

BK1603143390 Phnom Penh Domestic Service in Cambodian 1300 GMT 16 Mar 90

["Obituary"]

[Excerpt] The Central Committee of the Kampuchean People's Revolutionary Party, the National Assembly, the Council of State, the National Council of the Kampuchean United Front for National Construction and Defense, the Council of Ministers, the Ministry of Education of the State of Cambodia, and the bereaved wife, children, relatives, and friends mournfully inform the general public that Comrade Pen Navut, 55, member of the party Central Committee, National Assembly member for the Battambang Constituency, and minister of education, died from illness at the Revolution Hospital a 0415 [2115 GMT], at dawn on Friday, 16 March 1990, in spite of the intensive medical care given him by the party and state. [passage omitted]

Heng Samrin, Hun Sen Greet Hungarian Leaders

BK1803073290 Phnom Penh Domestic Service in Cambodian 0430 GMT 18 Mar 90

[Text] Comrade Heng Samrin, chairman of the Council of State, and Comrade Hun Sen, chairman of the Council of Ministers of the State of Cambodia, recently sent a congratulatory message to His Excellency Matyas Szuros, acting president, and His Excellency Miklos

Nemeth, chairman of the Council of Ministers of the Hungarian Republic. The message says in essence:

On behalf of the Council of State and the Cambodian people's government and in our own names, we would like to send you and the Hungarian people best wishes and warm congratulations on the day commemorating the start of the revolution to liberate Hungary. March 15 is a day of great significance which opened an historic era in Hungary. We highly appreciate the victories scored by the fraternal Hungarian people in building their motherland and for peace in Europe. We firmly believe that friendship and cooperation between our two states and peoples will be constantly strengthened and expanded.

Hun Sen Greets Counterpart

BK1803150790 Phnom Penh Domestic Service in Cambodian 1300 GMT 18 Mar 90

[Text] Comrade Hun Sen, foreign minister of the State of Cambodia, recently conveyed a greetings messge to His Excellency Gyula Horn, his Hungarian counterpart. The message says in essence: I would like to express warm respect and greetings to commemorate the launch day of the revolution to liberate Hungary and to gain independence. May Your Excellency have the best of health and new, still greater successes in the building of a glorious Hungary, and may the cooperation between our two states further develop.

Indonesia

Trade Minister Speaks on U.S. Textile Embargo

BK2003100890 Jakarta ANTARA in English 0859 GMT 20 Mar 90

[Text] Medan, Mar 20 (OANA/ANTARA)—Trade Minister Arifin Siregar has said that the Indonesian Government is at present negotiating problems on textile embargo with the United States. Therefore, businessmen and exporters are requested to be patient and always coordinate matters with the government.

Minister Siregar was answering questions asked by reporters at Polonia Airport, Medan, in connection with the embargo exercised by the United States, and the fact that there are still businessmen and exporters who have not yet fulfilled the quota given to them.

[words indistinct] for Indonesian textiles to enter the United States and meet the market demand there.

Minister Siregar was in Medan to open the exhibition of regional products for export exhibition and taking part were the provinces of North Sumatra, West Sumatra, and Riau.

PRC Official Says Debt Issue 'Minor Problem'

BK1903143690 Jakarta KOMPAS in Indonesian 8 Mar 90 pp 1,8

[Excerpts] Beijing, KOMPAS—The PRC Government believes that the issue of Indonesia's debts to that country before diplomatic ties were severed is a minor problem which can be solved soon.

The remarks were made by Zhang Qing, deputy director of the Asian Affairs Department of the PRC Foreign Ministry in an interview with KOMPAS correspondent Rene L. Pattirajawane and three other Jakarta reporters in Beijing on Wednesday [7 March].

"Through our representative office at the United Nations, the Indonesia side has expressed its wish to come to Beijing to solve this debt issue and we are ready to welcome them," Zhang Qing said. [passage omitted]

According to the Indonesian records, the debt stands at 91.87 million Swiss francs and 5.73 million British pounds, which were recorded in five bilateral agreements. Meanwhile, the PRC records said Indonesia's debt stood at 117.06 million Swiss francs and 7.59 million British pounds, which were recorded in six bilateral agreements. [passage omitted]

Team To Discuss Debt in Beijing

OW1903123090 Tokyo KYODO in English 1148 GMT 19 Mar 90

[Text] Jakarta, March 19 KYODO—A three-member Indonesian technical team will leave Jakarta Wednesday for Beijing to determine the exact amount of Indonesia's past debt to China, a high-level Foreign Ministry official said Monday.

Azhari Boer, director for Asian-Pacific affairs at the Foreign Ministry, said the team will mainly match debt figures and available documents on the figures.

The group comprises of three senior officials of the Foreign Ministry, Finance Ministry and Bank Indonesia, the country's central bank.

Azhari said the team will be in Beijing for three to four days.

The visit of the Indonesian team follows one by a Chinese team to Jakarta in December last year to discuss technical preparation for planned normalization of ties between the two countries.

During the last meeting in Jakarta, the Chinese delegation led by Assistant Foreign Minister Xu Dunxin [title as received] claimed Indonesian debt made during the reign of President Sukarno has reached 50 million dollars. Indonesia, however, maintained the amount of the debt is not far less than 50 million. [sentence as received]

Diplomatic relations between the two countries were frozen in 1967 following Indonesia's accusation that China was involved in an abortive communist coup in Indonesia in 1966.

Sibun Sworn in as New Air Force Chief 10 Mar

BK1603104390 Jakarta BERITA BUANA in Indonesian 12 Mar 90 p 1

[Excerpt] Jakarta—President Suharto swore in Vice Marshal Sibun as the new chief of staff of the Indonesian Air Force in a ceremony at Merdeka Palace on Saturday morning [10 March].

Also present at the occasion were Mrs. Suharto; Vice President and Mrs. Sudharmono; General Try Sutrisno, commander of the Armed Forces of the Republic of Indonesia; a number of ministers of the Fifth Development Cabinet; and senior officers of the three armed services and the Republic of Indonesia Police. [passage omitted]

Laos

Thai Princess Continues Activities During Visit

BK1603015190 Bangkok THE NATION in English 16 Mar 90 pp 1, 2

[By Kawi Chongkitthawon in Vientiane]

[Text] HRH [Her Royal Highness] Princess Maha Chakkri Sirinthon yesterday told Laotian acting President Phoumi Vongvichit that she visited Laos to satisfy her curiosity about her neighbouring country. "I have heard so much about Laos, I have read so much about Laos in reports, newspapers and magazines. The only way to increase my knowledge and understanding is to visit Laos," said the Princess, the first member of the Thai royal family to set foot in Laos since the communists seized power in 1975 and abolished the monarchy.

Visiting Phoumi at the Presidential Palace, she said it is good to be in Laos "because in Laos, I don't have to speak 'phasa farang'—foreign language." Laughter punctuated the extremely cordial discussion between the Princess and Phoumi. Phoumi gave the Princess a short introduction of modern Lao history and its economic development in the last 14 years. Phoumi, who took refuge in Xieng Khouang, Thailand, during the war against the French 40 years ago, said that despite its progress, Laos still has a lot to learn from Thailand. "Although we have succeeded in many things, many other things we cannot do very well," Phoumi said. Besides an exchange on Thai-Lao relations, the discussion focused on raising fish. She said when she visits Nam Ngum Dam tomorrow she would like to release some Thai-raised pla buek [giant catfish] into Nam Ngum reservoir as a gift to the Laotian people.

[Upon arriving in Vientiane at Wattai Airport,] led by Phoumi she reviewed the honour guards before strolling along the tarmac to greet Laotian and Thai officials. Vice Foreign Minister Thongloun Sisoulit hailed the Princess' visit as "a great leap forward" in the history of Thai-Lao relations. Khamphan Simmalavong, the Laotian ambassador to Thailand, said the visit will strengthen "brotherly" relations. Thousands of young students crowded both sides of the street leading from the airport to the Princess' state guest house about 10 kms from Vientiane. The students waved Thai and Laotian flags and applauded. Calling the Princess "an exemplary scholar," the official PASASON daily this week praised her accomplishments in singing, playing Thai music, writing prose and poetry, drawing, painting and sculpture. A release from the office of the Presidential Palace said the historic visit will "create favourable new conditions to promote friendly relations and neighbourly affection between the people of Laos and Thailand."

Immediately after the Princess' arrival, she went to her state guest house, accompanied by Phoumi. Before calling on Phoumi at the Presidential Palace, she laid a wreath at the monument of unknown soldiers who died in numerous wars against the French. In the afternoon, she visited Vat That Louang and presented a set of Tripitaka Buddhist scriptures to a senior monk there. A group of nine monks also held a religious ceremony to welcome her and pray for her. At Vat Ongtue Mahavihan in downtown Vientiane, the Princess also attended another religious ceremony and briefly spoke to local citizens who had thronged into the temple. The Princess spent almost an hour in Vat Sisaket Museum, the oldest temple in Vientiane, where she prayed. The Princess will have a busy schedule today visiting two educational centres—a primary school, a teachers training college and a vocation institute.

Visits Schools, Hospital

BK1703112890 Vientiane KPL in English 0902 GMT 17 Mar 90

[Text] Vientiane, March 17 (KPL)—Her Royal Highness Princess Maha Chakkri Sirinthon of Thailand yesterday visited Nahaidiao Primary School, Vientiane Senior High School, Dong Dok Teachers' Training College, December 2 Polytechnique Institute, and Mahosot General Hospital.

The princess and her entourage on the occasions were warmly welcomed by teachers, students, and medical personnel there, where she presented quite a number of gifts to these learning institutes. They were educational aids including audiovisual aids, TV sets and video tapes, sports equipment and others.

To the Mahosot Hospital alone, she presented more than 3 million baht worth of medical equipment.

Attends Blessing Ceremony

BK1703064290 Vientiane Domestic Service in Lao 0000 GMT 17 Mar 90

[Text] At the Council of Ministers reception hall last night, the Laos-Thailand Friendship Association [LTFA] and Vientiane residents held a Basi [blessing] ceremony in honor of Princess Maha Chakkri Sirinthon of the Kingdom of Thailand after she had completed her day's itinerary. Present as guests of honor at the Basi ceremony were His Excellency [HE] Phoumi Vongvichit, acting

president of the Lao People's Democratic Republic [LPDR], and his wife; HE Phoun Sipaseut, Council of Ministers vice-chairman and foreign affairs minister; HE Sisavat Keobounphan, chief of the Lao People's Army General Staff and chairman of the Vientiane Municipality Administrative Committee; ministers and deputy ministers and intellectuals; senior military and civilian authorities; and a large number of representatives of Vientiane residents.

At the ceremony, HE Sisana Sisan, chairman of the National Social Science Committee and of the LTFA, read a blessing for the princess. He said: Your Royal Highness Princess Maha Chakkri Sirinthon, on the occasion of your royal visit to the LPDR, the LTFA and representatives of Vientiane residents are organizing a Basi ceremony for you, a traditional blessing ceremony that has existed for generations. The LTFA and Vientiane are overwhelmingly and incomparably elated by your gracious visit to our country, in which you have brought with you the Thai people's affection and friendship for our Lao people. Your visit to Laos constitutes a good omen in the strengthening and deepening of Lao-Thai relations of friendship; it is an event that will be recorded in both countries' history.

HE Sisana Sisan also asked the Buddhist triple gems and the sacred power of the Si Songhak Pagoda to give protection, power, strength, and longevity to her royal highness so she can remain beloved to the Thai people as well as the patron of Lao-Thai relations of friendship for a long time to come. After that, a ceremony wishing for the happiness and longevity of Her Royal Highness Princess Maha Chakkri Sirinthon was performed and many best wishes were said. Later, Lady (Nou Pathammavong), acting on behalf of Vientiane residents, presented a silver basket of flowers to Her Royal Highness Princess Maha Chakkri Sirinthon. At 2010, the princess proceeded to a folk art performance organized by the Ministry of Information and Culture and the LTFA. Before the performance began, Bounteng Vongsai, deputy minister of information and culture, read out the performance program. During the performance, the princess, an expert in Thai classical music, played a so-u [Thai classical musical instrument] and sang two Lao songs—"Happy Peasant" and "Lao-Thai Friendship"—for the audience. After that Bounteng Vongsai presented a ken [Lao folk musical instrument] to the princess.

Earlier in the day—the second day of the royal visit to the LPDR by Her Royal Highness Princess Maha Chakri Sirinthon of the Kingdom of Thailand—the princess visited the Comprehensive Elementary School at Na Hai Diao, the Vientiane Senior High School, the Vientiane Teachers Training College, the 2 December Polytechnic College, the Mahosot Hospital, and the Vientiane morning market. At all of the places she visited, the princess was given a warm welcome in an atmosphere of friendship and intimate affection. The princess presented gifts to and intimately chatted with Lao authorities at those places.

Visits Power Plant

BK1803063290 Vientiane Domestic Service in Lao 0000 GMT 18 Mar 90

[Excerpts] At 0830 yesterday, Princess Maha Chakkri Sirinthon of the Kingdom of Thailand left the Royal Guest House in Vientiane by motorcade to visit the Nam Ngum hydroelectric power plant. At the plant, Houmphon Douli-gnaphon, head of the Lao Electricity Company; (Vatthana Pathoumvan) and (Savat Oubounfou), director and deputy director respectively of the Nam Ngum hydroelectric power plant; and plant workers accorded her a warm welcome.

Houmphon Douli-gnaphon invited the princess to observe the operation of machinery in the plant. He also gave a brief report on electricity production at the plant. He said: Nam Ngum River is one of a group of important rivers in Laos which are capable of generating, by means of hydroelectric power plants, approximately 1.6 million kilowatts altogether. Construction of the first phase of Nam Ngum Dam Project No. 1 began in 1968 and was completed in 1971—at a total cost of $28 million—with the installation of two electricity generators—each capable of generating 15,000 kilowatts. Later, preparations were made for the installation of three more generators. From the plant, a system of one-cycle, 115-kilovolt high voltage electric lines run to substations in Vientiane to be linked with the high-voltage power line system in Nong Khai Province, Thailand.

In 1973, a feasibility study of the economic and technical aspects of the second phase of Nam Ngum Dam Project No. 1 was conducted. The study showed that the dam's power plant should be expanded with the installation of two 40,000-kilowatt generators to increase the plant's production capability from 30,000 to 110,000 kilowatts. The second phase of Nam Ngum Hydroelectric Dam Project No. 1 consisted of installing a water gate, water tunnels, and a new turbine system. The study also showed that the power plant could be further expanded with the installation of three more 40,000-kilowatt turbine generators and two-cycle, 115-kilovolt high voltage power lines from the plant to Tha Naleng in Vientiane, where lines could connect with the Thai power network in Udon Ratchathani Province. Construction of the project's third phase—worth about $20 million and with a production capacity of 40,000 kilowatts—began in mid-1983 and was finished in December 1984.

In 1976, the Lao Electricity Company was assigned by the government to handle electricity production and development on its behalf. At present, electricity is being utilized extensively to serve agricultural and industrial production as well as the Lao people's livelihood. The company is currently conducting a feasibility study on expanding its high-voltage electricity network to become one of the country's important assets. Initial surveys have revealed that hydroelectric dams could be built in many places in Laos. At present, construction of the Namthon hydroelectric dam has just begun. In southern Laos, construction of the Se Set hydroelectric dam is also

underway. After its completion—which is expected to be in mid-1991—the Se Set hydroelectric dam project will be linked to Thailand's electricity generating system. Most of the electricity generated in Laos is sold to foreign countries. Only a little more than 10 percent is currently used in the country. Some 30 percent of Laos' electricity is sold to Thailand's northeast region. [passage omitted]

At 1100, Princess Maha Chakkri Sirinthon released 99 giant catfish into the Nam Ngum Dam reservoir. After a luncheon at the dam site, the princess left at 1400 by motorcade along Highway No. 1 through Thoulakhom District to visit the Tha Ngon Plain development project in Saithani District, Vientiane Municipality. On her arrival at the project site at 1540, she was welcomed by His Excellency General Sisavat Keobounphan, chief of the Lao People's Army General Staff and chairman of the Vientiane Municipality Administrative Committee, and cadres attached to the Vientiane plain development project. At the project site, the princess was taken to see a water pumping station capable of irrigating more than 350 hectares out of the 750 hectares of ricefields in the project. She also inspected plants and vegetables grown by farmers in the Vientiane plain area before returning to the Royal Guest House in Vientiane. At 2000 on the same day, His Excellency Nikhom Tantemsap, ambassador extraordinary and plenipotentiary of the Kingdom of Thailand to Laos, hosted a dinner reception at the Royal Thai Embassy in Vientiane in honor of Princess Maha Chakkri Sirinthon on the occasion of her visit to the Lao People's Democratic Republic.

Visits Luang Prabang

BK1903142490 Vientiane Domestic Service in Lao 1200 GMT 19 Mar 90

[Summary] Yesterday [18 March] morning, Princess Maha Chakkri Sirinthon of the Kingdom of Thailand left Vientiane by a special plane to visit Luang Prabang Province. [Vientiane KPL in English at 0900 GMT on 19 Mar in a similar report adds that the princess was accompanied by Thongloun Sisoulit, deputy minister of foreign affairs of Laos, and Thai Deputy Foreign Minister Praphat Limpaphan.] Upon arrival at Luang Prabang airport, she was welcomed by Vongphet Saikeuyachongtua, chairman of the provincial administration, and members of the provincial administration and a large number of Luang Prabang residents. On the afternoon of the same day, the princess visited Wat Siangthong and Wat Sensoukkhalam temples to pay homage to Buddhist clergy there. After that, she was given a traditional basi [blessing] ceremony at the Luang Prabang hotel where she was staying by Luang Prabang residents.

In the evening, the chairman of the provincial administration hosted a dinner banquet in honor of the princess and her entourage at the Luang Prabang hotel. At the dinner, the chairman of the provincial administration and the princess took turns delivering speeches on time-honored close relations between the Lao and Thai peoples. After the banquet, the princess attended a folk art performance and participated in the singing with local folk singers. Today, the princess continued to pay visits to many historical places in the city.

Somlat Chanthamat Receives Chinese Youth Group

BK1303103290 Vientiane KPL in English 0941 GMT 13 Mar 90

[Text] Vientiane, March 13 (KPL)—Somlat Chanthamat, secretary of the Lao People's Revolutionary Party Central Committee and head of its Propaganda and Training Board, received here on March 12 a delegation of the Chinese Communist Youth League led by its Secretariat Committee's member Liu Qibao, during the delegation's five-day visit to the Lao PDR [People's Democratic Republic].

During the talk passing in a friendly atmosphere, Somlat Chanthamat was informed of the guests' activities during the visit to the Lao PDR. The two sides stressed the friendly relations and fraternal solidarity between the two countries based on the principle of mutual interest. The government and fraternal people of China have given effective support and help—morally and materially—to the Lao people during the struggle against imperialists.

Also on the same day, the Chinese youth delegation was received by Mrs. Thongvin Phomvihan, first secretary of the Lao People's Revolutionary Youth Union CC [Central Committee].

The reception was attended by Liang Feng, ambassador extraordinary and plenipotentiary of the People's Republic of China to the Lao PDR.

Defense Minister Greets Mongolian Counterpart

BK1903081290 Vientiane Domestic Service in Lao 0430 GMT 19 Mar 90

[Text] Yesterday, Comrade General Khamtai Siphandon, Political Bureau member of the Lao People's Revolutionary Party Central Committee, vice-chairman of the Council of Ministers, and minister of national defense of the Lao People's Democratic Republic, sent a greetings message to Comrade Molomjamts, national defense minister of the Mongolian People's Republic, in Ulaanbaatar, on the occasion of the 69th anniversary of the Mongolian People's Army. The message says:

Respected minister: On the occasion of the 69th anniversary of the Mongolian People's Army, on behalf of the cadres and combatants of the entire armed forces of the multiethnic Lao people and in my own name, I would like to wholeheartedly convey close, friendly salutations and best wishes to you, comrade, and through you, to the cadres and combatants of the entire Mongolian People's Army. I hope the friendly relations and militant solidarity between our two countries and armies will be increasingly strengthened and fruitfully developed. I

wish the Mongolian People's Army new, still greater achievements in the cause of defending and building socialist Mongolia into a strong and prosperous country. I wish you, comrade minister, good health, happiness, and success in performing your noble and glorious tasks.

Philippines

Aquino Says Bases Talks Planned for April

HK1903124790 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 19 Mar 90

[Italicized portion in English]

[Text] President Aquino today announced that the exploratory talks on the military bases will push through. According to her, the talks will be held either on the 18th or 19th of April. She also said that all angles related to the military bases will be discussed.

[Begin Aquino recording—in progress] *...the exploratory talks will start next month, April 18 or April 19. So all these matters can be taken up during the exploratory talks. But it is essential that we do have these exploratory talks so that the Philippine side can also present its plans and also indicate again the expiry of the present bases agreement which is in 1991. This is also...with the matter of the shortfall, we will be discussing this during the exploratory talks. So the exploratory talks will go on as scheduled, either on April 18 or 19.* [end recording]

Aquino Urged To Issue Stand on Bases Issue

HK2003044390 Quezon City Radyo ng Bayan in Tagalog 0400 GMT 20 Mar 90

[Text] Congressman Jose de Venecia of Pangasinan said that there is now a need to assess the U.S. Government's view about the country and urges Malacanang to come up with a position on the U.S. military bases here before holding the exploratory talks next month:

[Begin De Venecia recording] It would be better if the Philippine president could tell the people and the United States her position regarding the extension of Clark Air Base and Subic Naval Base. But maybe the president is thinking she could just leave this to the Filipino and American negotiators. She should find out what the U.S. Government really wants, how much it would pay for the extension of its bases, what would it do with its $96 million shortfall. [end recording]

Manglapus 'Hopeful' U.S. Will Change Position

HK2003104590 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 20 Mar 90

[By Rey Arquiza of Mobile Unit 21]

[Text] Although Foreign Affairs Secretary Raul Manglapus is disappointed with a note verbale from the U.S. Government stating its inability to pay the $96 million shortfall in compensation for use of Clark Air Base and Subic Naval Base in 1990, he is still hopeful that the U.S. Government may change its position once the exploratory talks on the bases starts on 18 April.

In a press statement, Manglapus said that he hopes that the U.S. Government will give a positive response to the Philippines' demand based on the Manglapus-Shultz agreement where the United States promised to pay $96 million for the maintenance of U.S. bases in the Philippines. Manglapus also said that the U.S. Government's declaration of its inability to come up with the compensation payment as contained in the note verbale does not mean that it is rescinding a promise to pay rental for the bases in 1990. Instead, it leaves room for further discussion in the exploratory talks.

In the same press statement, Manglapus also said that the best effort pledge by the United States is a legal obligation of the United States to the Philippines. It is up to the Philippines to judge whether the so-called best effort pledge was indeed a best effort, added Manglapus.

Manglapus also explained that if no agreement is reached on the U.S. military bases, it will be logical for the Americans to withdraw their bases from the Philippines.

Manglapus issued the statement in response to a declaration by U.S. Defense Secretary Richard Cheney, who said that if no new agreement is reached, the Americans will leave. According to Manglapus, there is nothing new about Cheney's statement and that it is common knowledge to all. Manglapus also said that the note verbale issued by the U.S. Government stating its inability to fulfill its compensation obligation will be studied carefully before an official response is made.

Officials Respond to U.S. Reply on Shortfall

HK2003042390 Manila PHILIPPINE DAILY GLOBE in English 20 Mar 90 pp 1,8

[By staff writer Julius Fortuna]

[Text] The United States formally rejected yesterday Philippine demands for the payment of the $96 million shortfall in compensation for its use of Clark Air Base and Subic naval Base in 1990.

This was revealed by officials of the Department of Foreign Affairs [DFA] after Secretary Raul Manglapus received from the U.S. embassy a 15-page reply to his January 18 letter of protest about the unilateral cut of $60 million in Military Assistance Program [MAP] and $36 million in Economic Support Fund [ESF] for 1990.

The DFA officials, who requested anonymity, said the reply was a virtual rejection of Philippine demands that the United States live up to its commitment to pay $200 million in MAP and $160 million in ESF as part of the $481 million compensation for its use of the bases this year.

Raul Rabe, executive director of the DFA Office of American Affairs, said a lower-level DFA official received a copy of the note verbale last Friday. But Manglapus got the original document only yesterday. Rabe, a member of the Philippine panel in the forthcoming exploratory talks on the bases' future, said Manglapus has instructed DFA officials not to reveal the contents of the U.S. reply. He said Manglapus has set a press conference for this afternoon to explain the Philippine reaction. But the officials said they expect Manglapus to formally protest the American rejection, instead of just holding a press conference.

They said that in the note verbale, the U.S. embassy explained that the White House was "mindful of the shortfalls." They added that the note verbale sought to justify the nonpayment by saying that the White House had exerted its best efforts to persuade the U.S. Congress to pay the full amount. The officials quoted the U.S. embassy as saying that since the U.S. Congress did not act on the White House request, nothing could be done anymore.

Ambassador Nicholas Platt said in a radio interview last month that the U.S. commitment to pay $962 million for the last two years of the RP[Republic of the Philippines]-Military Bases Agreement covered 1990 and 1991. Thus, he said, whatever shortfalls there were in 1990 might be restored in 1991. But days later, Deputy Chief of Mission Kenneth Quinn said the United States was not legally bound to pay the full amount because the agreement was based merely on a best-effort pledge.

When Manglapus protested the unilateral cut of $96 million on January 18, President Aquino said the matter would be taken up during the exploratory talks. Yesterday, Mrs. Aquino said the talks would definitely start either on April 18 or 19.

But former Vice President Emmanuel Pelaez, Philippine Ambassador to the United States, is urging the government to delay the talks, saying that it should take advantage of the Soviet Union's continuing pressure on the United States to reduce its military presence in the Asia-Pacific region.

In a memorandum sent recently to the DFA from Washington, Pelaez said: "On the timing of the exploratory talks, the later these are held, the better for the country." He noted that the Soviet pullout from Cam Ranh Bay in Vietnam has put pressure on the United States to reciprocate by pulling out from the region. "Further developments will give us a clearer picture of the situation and of the United States' position," Pelaez said in the memo.

Pelaez said that the United States is at the moment rejecting suggestions of pulling out from the Asia-Pacific region. He said that despite the fast-changing image of the Soviet Union from enemy to friend, the United States "will find new justification for the continued stay of its navy in the Pacific." But he added that "as time goes by, the United States will come nearer to our position of a phased withdrawal in view of the diminishing need for its forces in the country."

Pelaez said the Philippine panel to be headed by Manglapus should "so manage the negotiations that the idea of phased withdrawal should come from them (U.S. panel) and is subsequently mutually agreed upon."

Pelaez also said that the exploratory talks should not begin until Malacanang and Congress reach a common stand on the future of the bases.

Court Rules Out Immunity for U.S. Servicemen

HK1903040190 Manila PHILIPPINE DAILY GLOBE in English 19 Mar 90 pp 1, 8

[By staff writer Pamela A. Balcena]

[Text] The Supreme Court has ruled that American servicemen can be held liable for unlawful acts against Filipinos, saying they could not resort all the time to the legal shield provided by international law and the RP[Republic of the Philippines]-U.S. Military Bases Agreement (MBA).

The tribunal, through Justice Isagani Cruz, rendered the ruling the other day in a 27-page decision that threw out two of four motions filed by four groups of U.S. bases personnel. The petitions sought to dismiss civil suits for damages lodged against them with the local courts by Filipinos.

The American servicemen claimed in their motions that as agents of the U.S. government, they cannot be sued. They insisted because they are representatives of their country, the civil case against them was in effect a suit against the United States, which cannot be used without its consent under international law and the MBA.

But the tribunal countered that this doctrine does not confer on the United States a blanket immunity for all acts done by it or its agents in the Philippines. Neither may the petitioners claim that they are also insulated from suit in this country merely because they have acted as agents of the United States in the discharge of their official functions."

The first damage suit was filed by Filipino barbershop concessionaires at Clark Air Base in Pampanga led by Roberto Valencia against base personnel Yvonne Reeves and Frederic Smouse.

The second civil case was filed by Filipino cook Fabian Genove against his American bosses at John Hay Station in Baguio City who fired him after he allegedly poured urine into the soup stock served to club customers.

The third damage claim was filed by Filipinos Freddie and Ricky Sanchez, Freddie Rivera and Edwin Mariano against a group of American servicemen in Clark led by Maj. Gen. Michael Carns who allegedly beat them up, handcuffed, them and unleashed dogs on them which bit them in several parts of their bodies. The defendants

claimed, however, that the Filipinos were arrested for theft and were bitten by the dogs because they were struggling and resisting arrest.

While the tribunal ordered the dismissal of the damage suit filed by Genove against his American bosses since they were right in terminating the cook "for his unbelievable nauseating act," it said that by entering into an employment contract with Genove, the U.S. government, as represented by the defendants, impliedly divested itself of its immunity from suit.

The second case where the high court acted in favor of the American servicemen was filed by Luis Bautista, barracks boy at Camp O'Donnel in Tarlac. Bautista was fired after he was arrested by camp guards led by Tomi King following a "buy-bust" operation for selling marijuana. In retaliation, Bautista filed a damage claim against the Americans. The case was however rejected by the tribunal, saying the U.S. servicemen acted in the exercise of their official functions when they conducted the buy-bust operation and later testified against Bautista in court on drug pushing charges.

The court, however, made it clear that "If the Filipinos themselves are duty-bound to respect, obey and submit themselves to the laws of this country, with more reason, the members of the U.S. Armed Forces who are being treated as guests of this country should respect, obey and submit themselves to its laws."

Furthermore, the court noted that the doctrine of the state's immunity from suit can be called a "royal prerogative of dishonesty" that is hardly fair in a democratic society like ours because "the state is not an unfeeling tyrant unmoved by the valid claims of its citizens."

The high court ordered the lower courts where the civil cases against Smouse and Carns are pending to admit evidence presented by the prosecution so that it can be properly determined whether the Americans acted in their legitimate official capacity when their alleged offenses were committed.

Editorial Lauds Ruling

HK2003031790 Manila PHILIPPINE DAILY GLOBE in English 20 Mar 90 p 4

[Editorial: "An Important Ruling"]

[Text] In ruling that American servicemen and other agents of the U.S. government enjoy no immunity from suit under Philippine laws, the Supreme Court [SC] has lifted a terrible cloud of doubt that has dogged all these years Philippine-American relations.

The cases that provoked the ruling are not in themselves all that earthshaking. One involved a violation of a contract for barbershop services at the Clark Air Bases's engineering center. Another had to do with a suit for damages filed by a Filipino cook against his superior, who dismissed him for putting urine in the soup stock of the kitchen at John Hay Station. The third involved a Filipino barracks boy at Camp O'Donnel who was arrested by U.S. servicemen for selling marijuana in a buy-bust operation. And the fourth, by far the most serious and most known, concerned a suit for damages filed by four Filipinos against a group of American servicemen who allegedly beat them up and sicked killer dogs on them.

What made them all significant was the uniform defense presented by the accused Americans. To a man, they contended that they could not be sued because they were acting as agents of the U.S. government. They declared that the cases against them were in effect cases against the U.S. government, which cannot be sued without its consent under provisions of international law and the RP[Republic of the Philippines]-U.S. Military Bases Agreement [MBA]. To a man, they said nothing in specific reply about the factuality of what they were being accused of.

Given this defense, the high court could not but rule on its merit. And rule it did emphatically. It declared in words that cannot be misunderstood that there is no such thing as the immunity of U.S. servicemen and agents of the U.S. government from suit. "If the Filipinos themselves," the SC said, "are duty-bound to respect, obey and submit themselves to the laws of this country, with more reason, the members of the U.S. Armed Forces who are being treated as guests of this country should respect, obey and submit themselves to its laws."

Turning to the claim that the U.S. government cannot be sued without its consent under international law and the MBA, the court stated that this doctrine does not confer on the United States a blanket immunity for all its acts in the Philippines. "The doctrine is not absolute and does not say that the state may not be sued under any circumstance...the rule says that the state may not be sued without its consent, which clearly imports that it may be sued if it consents," it said. There are clear instances where a state "impliedly" waives its immunity from suit, as when it enters into a contract involving a proprietary undertaking.

Proceeding from this, the court declared that the accused cannot claim that they are insulated from suit in this country merely because "they have acted as agents of the United States in the discharge of their official functions."

The specific cases before the Philippine courts may or may not prosper. This would depend entirely on whether there are real grounds for further litigation. Indeed, the court dismissed two of the cases outright—the dismissed cook's suit for damages and the suit of the barracks boy caught in a drug buy bust operation.

Whatever the fate of the remaining cases and the accused Americans, clear guidance has now been provided by the highest court of the land on a most important issue. We know now that the guests of the nation, no less than its citizenry, are fully subject to its laws.

That is a principle that should follow from sheer good sense and public interest. A nation that would grant superior status to foreigners in discrimination against its own would be very foolish indeed. But it is the logic, alas, of our long and cloudy relationship with the United States that even on a matter such as this, we need no less than our Supreme Court to make a ruling.

Plan Against Military, U.S. Soldiers Reported

HK2003104390 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 20 Mar 90

[Text] The New People's Army [NPA] is planning to launch an aggressive campaign against the military and politicians in Central Luzon. They would allegedly carry this out in the next two years. Brigadier General Cesar Nazareno, the Constabulary Regional Command 3 chief, made the disclosure in a report to PC-INP [Philippine Constabulary-Integrated National Police] Chief Ramon Montano. Earl Sapilino has the details:

[Begin recording] Nazareno said the NPA's terroristic plan was contained in documents seized by the military in previous encounters. According to Nazareno, the plan includes the assassination of military, police, and CAFGU [Citizen's Armed Forces Geographical Units] members; attacks and raids on barangay, municipal, and provincial offices; attack on wealthy landlords and multinational corporations; and punishing American soldiers and military officials. Nazareno added that NPA related atrocities increased in the past two months of this year compared to the same period last year. [end recording]

Aquino Leaves Decision on Imelda to U.S. Courts

HK1903130190 Quezon City Radyo ng Bayan in Tagalog 1000 GMT 19 Mar 90

[Italicized portion in English]

[Text] President Aquino is leaving it up to the New York court to decide whether ousted former First Lady Imelda Marcos is guilty or not of robbing the government of huge sums of money under the regime of former President Ferdinand Marcos. The chief executive said that in her opinion, the entire Philippine nation supports the government's move to pursue this case against Mrs. Marcos. Mrs. Marcos will be tried for racketeering charges in a New York court tomorrow.

Whatever the decision of the New York court, it will be respected by the government, said the president.

[Begin Aquino recording] *Well, we have always said that we are determined to seek justice and, in fact, to help in the administration of justice. In so far as the Filipino people are concerned, I think they are one with us in seeking justice, and so let us just wait for the New York court to try Mrs. Marcos and for them to decide whether indeed she is guilty or not.* [end recording]

Soviet Air Service Assistance Proposal Studied

HK1603133790 Manila Radio Veritas in Tagalog 1300 GMT 16 Mar 90

[Text] The Philippine Air Lines will consult with the intelligence community, Department of Affairs [as heard], and the Department of Trade about a Soviet Union proposal for an air assistance service. The Soviet Union has proposed to allow in its air space Philippine airplanes on their way to and from Europe in exchange for the Soviet airplanes use of Philippine air space on their journeys.

Laurel Decries Cost of Corruption to Economy

HK1903103190 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 19 Mar 90

[Italicized portion in English]

[Text] Graft and corruption under the Aquino administration has cost the country a total of 180 billion pesos [P] in the last four years. This was announced by Vice President Salvador H. Laurel in a speech before the Rotary Club of Quezon City where he cited a study by the University of the Philippines Study Group. The study claimed that 20 percent of the national budget was lost to graft and corruption under the Marcos regime. According to Laurel, the loss under the Aquino administration has risen to almost 30 percent.

[Begin Laurel recording—in progress] *...the Aquino government for the year 1990 is 233 billion pesos. If 20 percent of the 94 billion was being lost in 1985 because of graft and corruption, then 20 percent is about 18.8 billion. Some 18.8 billion pesos was being lost under the Marcos administration in 1985. Now, according to latest reports, the amount being lost in graft and corruption by the government is much, much higher than 20 percent. Some people think it is reaching close to 30 percent. I will give the exact figure in a few days. But let us just keep it at 20. Let us just take 20, 20 percent of 233 billion is how much? It is about 46.6 billion. That is how much is being lost every year, if it is just at 20 percent.* [end recording]

If this is the case, Laurel said, 20 percent of the current national budget of 233 billion pesos is 46.6 billion pesos, which goes to the pockets of corrupt government officials. He added that given the circumstances, there is more reason to stop the sale of the Roppongi and Fujimi properties in Japan. He said that not only is the sale illegal, the profits may only end up fattening the pockets of corrupt officials.

Laurel's Move for NP-KBL Merger Supported

HK1703062390 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 17 Mar 90

[Italicized portion in English]

[Text] The Nationalist Party [NP] Central Committee announced that it supports the endeavours of Vice President Salvador Laurel to hold talks leading to a

merger with the New Society Movement [KBL] under Eduardo Cojuangco. The statement was issued by the Nationalist Party through Vice President Blas Ople.

Meanwhile, KBL Congressman Jose Rono said in a media forum that Cojuangco should be the leader of a coalesced opposition.

[Begin Rono recording] *In other words, while it is not a...nothing formal there, but perhaps most of the KBL, not all of them, accepts the fact that Mr. Cojuangco would be the ideal leader.* [end recording]

Local Government Secretary Dismisses Aguinaldo

HK1903094990 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 19 Mar 90

[Text] In a directive issued by Secretary Luis Santos, the Department of Local Government has ordered the dismissal of rebel Cagayan Governor Rodolfo Aguinaldo. The dismissal was based on the result of an investigation carried out by the department which showed that Aguinaldo turned his back on the Republic during the December coup attempt. Aguinaldo was earlier suspended for 60 days while the department conducted the investigation against him. According to Secretary Santos, it is only proper to dismiss Aguinaldo because he became a traitor to the country and to the Constitution.

More Criminal Charges Filed Against Enrile

HK1703080290 Manila MANILA BULLETIN in English 17 Mar 90 pp 1, 18

[By Rey G. Panaligan]

[Text] More criminal charges were filed yesterday against Sen. Juan Ponce Enrile, this time with former presidential assistant Manuel Elizalde Jr. in connection with a P[peso]57.8-million firearms case at the Armed Forces of the Philippines (AFP).

The complaint was filed by Solicitor General Francisco I. Chavez with the Presidential Commission in Good Government (PCGG) which will conduct a preliminary investigation of the charges.

Enrile was accused as defense minister and Elizalde as presidential assistant for national minority during the Marcos regime.

According to the complaint, Elizalde, as president of the Elitool Manufacturing Corp., was awarded by the government a multimillion-peso contract for the manufacture of M-16 rifles for export. But Chavez said Elitool failed to manufacture or export a single M-16 rifle.

On April 15, 1983, Chavez said the PC-INP [Philippine Constabulary-Integrated National Police] entered into a contract with Elitool to supply the Constabulary with 20,000 units of M-16 rifles worth P57.8 million. Enrile, in his capacity as defense minister, recommended to then President Marcos the approval of the Elitool-PC-INP contract, Chavez said. Chavez charged that the 20,000 M-16 rifles supplied by Elitool to the PC-INP "came from the AFP and have been fully paid for by the AFP."

To insure that Elitool would not lose the P57.8-million contract, Chavez said Enrile also authorized the sale of the rifles borrowed by AFP to the PC-INP under an agreement that Elitool would replenish the rifles at low cost to the AFP. Up to the filing of the case, Chavez said "the replenishment has not materialized."

Chavez added that the total amount lost by the government amounted to P63.8 million, including P6 million in unearned interest.

Meanwhile, the National Bureau of Investigation (NBI) has filed with the Office of the Ombudsman a P69.3 million graft case against four former top officials of the National Irrigation Administration (NIA) and several others. The complaint was filed by NBI director Alfredo S. Lim with Ombudsman Conrado M. Vasquez.

In a report to Justice Secretary Franklin M. Drilon, Lim identified the former NIA officials as administrator Federico Alday Jr. and assistant administrators David Roxas, Sebastian Julian, and Zenaida Sebastian. The four former officials were dismissed by President Aquino for alleged irregularities. Lim said the four former NIA officials connived with each other and with other NIA employes and private businessmen in overpricing irrigation equipment used in government projects from 1986 to 1988.

Ramos Rules Out Peace Talks With Rebels

HK1903041990 Manila PHILIPPINE DAILY GLOBE in English 19 Mar 90 pp 1, 8

[By staff writer Dionisio L. Pelayo & David Jude Sta. Ana]

[Text] Defense Secretary Fidel V. Ramos ruled out yesterday talks with military rebels who, he said, are not really interested in reforms, but are just out to grab power through violent means.

Reacting to a resolution presented by reserve officers from Iloilo, Ramos said that the military rebels should instead surrender and face trial for launching the December coup attempt which led to the death of more than 100 people.

"It is out of character to be wanting to sit down with military rebels. Due process must be followed," Ramos said in a speech before the Reserve Officers Legion of the Philippines-Iloilo chapter.

President Aquino also took a tough stance against rebel soldiers, telling listeners of her radio program last night that the renegades must be captured so that they would not create any more trouble.

Mrs Aquino also said the government might take legal action against civilians giving sanctuary to coup leaders.

She noted that Army Maj. Wilhelm Doromal, the rebel officer who was captured last Thursday, was found in the farmhouse in Bulacan of businessman Vicente Puyat, a member of the opposition Nacionalista Party (NP). "Of course people are wondering what Doromal was doing in the house of Teng Puyat," Mrs Aquino said.

The President's prodding comes after Gen. Renato de Villa, AFP [Armed Forces of the Philippines] chief of staff, warned that coup leaders might launch another attack to tap popular discontent. He said the confluence of events, including the looming oil price increase, the trial of Mrs Imelda Marcos and the revamp in the AFP, may constitute the "crossover point" of the military rebels.

In their resolution, the reserve officers appealed to both the government and the rebel soldiers "to stop the fighting and hold a dialogue leading to a peaceful settlement of the present armed conflict."

In response, Ramos said: "If it is reforms that you want, the government is instituting them.... The government is continuously searching for reforms and establishing them so that we can reach our goal of stability and full economic improvement."

The group of the rebel soldiers, most of whom belong to the Reform the AFP Movement-Soldiers of the Filipino People (RAM-SFP), is the only one among the three threats to the state which the government refuses to negotiate with.

The government has held talks with the National Democratic Front (NDF), the umbrella organisation of communist-led groups, and the secessionist Moro National Liberation Front (MNLF) in 1986.

In his speech, Ramos urged the members of the reserve officers' legion to support the government and its leadership. "The time for fence-sitting is over. We must rally behind the national leadership and give total support to the program aimed at attaining complete peace, stability and progress for our country."

During the meeting of the Western Visayas Regional Peace and Order Council, Ramos said the government will discontinue the operations of the Citizens' Armed Forces Geographic Units [CAFGU] once the country's peace and order problem has been solved. The CAFGU program, he said, may be phased out and replaced by reservists. Ideally, when the peace and order situation has stabilized, the national police, supported by a civilian reserve force and the AFP, would defend the villages. [passage omitted]

Rebel Alliance Group Issues Statement

HK2003054990 Manile PHILIPPINE DAILY GLOBE in English 20 Mar 90 pp 4, 9

[Statement issued by Revolutionary Nationalist Alliance-Soldiers of the Filipino People]

[Text] We, the Rebolusyonaryong Alyansang Makabayan [Revolutionary Nationalist Alliance] (RAM) [as published] , a multisectoral, multipartisan group guided by the enduring dream of national unity, and the Soldiers of the Filipino People (SFP), banding together, vow to continue the unfinished revolution of our forefathers, the truly Nationalist Revolution of 1896. We declare that we will work to achieve *genuine national independence, redeem our sovereignty, and liberate our people from the chains of political, social, and economic slavery,* forged by foreign imperialists and their Filipino collaborators...

The RAM-SFP offers the country, *not the tarnished vision of EDSA [Epifanio de los Stantos Avenue] 1986,* cheapened beyond recognition by this administration, *but the revolutionary spirit of 1896 and its noble dream, a dream filled with a fierce yearning for change.*

The dream is of true independence, a sovereign nation, a just and wise government, genuine nationalism, respect for the law, freedom in its best sense, reconciliation—in short, democracy as the Filipino people revolutionaries of 1896 installed but only fleetingly enjoyed before it was perverted by succeeding decades of subjugation, tyranny and pretense.

To the uncertain and unwavering, we say, let us stand together. *Let us face the present together. Let us walk into the future together.* Our sacrifice and our struggle will imbue these words with meaning and bring that blessed day around.

We recognize the colonial and neo-colonial circumstances which denied us the chance to discover our national self, to establish our identity, and discover how much our dignity is really worth. *Because our governments and our leaders have been weak, confused, venal, insensitive, and self-serving,* foreign powers in the name of friendship have interfered in our affairs with impunity, manipulating us, playing with our lives, our country, and our destiny.

We see our masses huddled in their hovels, hungry and dispossessed. Our bureaucracy is corrupt and inefficient. There is no peace and order. The simplest public services cannot be delivered. Our military is demoralized and shot through with politics. Our judicial system does not work. The guilty go free; the innocent are framed. Our strength is vitiated by corruption and ignorance in high places. When we protest, the government responds with arrogance and brutality. Our elections are farces, *contests of force and money,* or sleight-of-hand spewed by computers.

The inexorable winds of change are sweeping the world. Everywhere on earth, peoples of all colors and cultures yearn for self-determination. they fight and die for it. They want to enjoy the God-given right to chart their own course in the struggle for national identity. *The enlightened application of the "Sinatra doctrine" has sounded the death knell of imperialism in the Eastern European countries.*

From the moment he is born, a man reaches for the sun, and so it is with nations.

In recent times, repressive governments have fallen, before the frightening force of their peoples' anger. Ironically, what we have been led to believe has been one of the most despotic political systems in the world has paved the way for freedom for millions in Europe, while Western powers, whose self-assumed role as champions of democracy we have never challenged, have interfered in the affairs of small countries. They have plotted against the governments of developing countries, humiliating their leaders and demeaning their sovereignty. Stripped of their mask of altruism, these Western powers stand revealed for what they are, for what they have always been, "imperialists."

Realizing that drastic and fundamental changes are needed to save our country from colonizers who, with the help of collaborators in and out of the government, continue to hold our lives in thrall, we RAM-SFP have decided to act. The alternatives, if we don't, are blood-chilling: *the totalitarianism of a foreign ideology* or continued slavery under our "enlightened" colonizers. Either way, dishonor lies at the other end, and we are doomed.

The following goals we have set down embody our aspirations for our people. We reach out to everyone, addressing our call of solidarity to all sectors, to all men and women who believed in our race; who remember the proud beginnings of our history; who believe, as we do, that Filipinos are capable of courage and sacrifice.

Political Aspirations
/m/m1. Promulgate a Constitution that will reflect the national will, recognize the unique pluralism of Philippine society, and address our people's yearning for a true democracy, independence, and sovereignty.
/m/m2. Establish through free, clean and honest elections an effective government of true national unity and reconciliation based on real federation and absolute respect for the diverse cultural roots of Philippine society.
/m/m3. Restore a professional and competent civil service through which government can execute laws, manage public affairs, and serve the people.
/m/m4. Establish unified, credible and professional Armed Forces for national defense and security, and create federal/territorial police agencies for all enforcement and the maintenance of peace and order.

Economic Aspirations
/m/m1. Develop a national economy based on self-reliance and productivity with emphasis on self-sufficiency in the basic necessities as the necessary foundation for balanced agricultural and industrial growth and development.
/m/m2. Accelerate production and build infrastracture for effective distribution in the countryside with particular emphasis on transportation to include sea transport, links by sea, land, and air, and access to the hinterlands, communications and power facilities.
/m/m3. Operate on balanced budget by limiting borrowings and debt servicing while improving revenue collections and making government bureaucracy cost-effective and efficient.

Social Aspirations
/m/m1. Promote the equitable distribution of the factors of production and enjoyment of the fruits of development.
/m/m2. Improve the dispensation and administration of justice.
/m/m3. Undertake educational reforms.
/m/m4. Improve health services and demographic profile.
/m/m5. Eradicate graft and corruption from society.

We believe these aspirations embody the long-muted hopes of our countrymen who have only now started to awaken from nearly a century of slumber. Together with a committed and determined vanguard, we can achieve all these and, charting our own destiny, take our rightful place among the family of nations.

We know that the struggle and sacrifice of our forefathers and our own recent catharsis of blood and fire shall not have been in vain if we band together and act to bring the revolution to its inevitable conclusion—a Filipino nation enjoying authentic democracy under a regime of justice, peace, liberty, fraternity and equality.

Misuari Urges Muslims To Continue Struggle

HK1903041790 Manila PHILIPPINE DAILY INQUIRER in English 19 Mar 90 p 8

[By Julieta M. Labo]

[Text] Moro National Liberation Front [MNLF] chairman Nur Misuari yesterday urged Filipino Muslims to continue with their struggle for self-determination.

In a taped message, Misuari addressed some 300 Metro Manila-based members of the Bangsa Moro (Moro homeland) National Solidarity Conference who attended the celebration of their Freedom Day yesterday and who signed a petition asking the Organization of Islamic Conference to grant membership status to the MNLF. Misuari said the celebration, which commemorates the massacre in 1968 of 11 Muslim army trainees, better known as the Jabidah massacre, is significant in the Muslim people's fight for liberation. "This day, when scores of our youth were martyred in Corregidor, signifies our liberation from the binds of Philippine colonialism; the day when Bangsa Moro literally sprung to a new life from a state of unmitigated oppression to a state of self respect and dignity," Misuari said.

In support of Misuari, the Bangsa Moro in turn led a petition signing asking the Organization of Islamic Conference to grant full membership to the MNLF.

Sultan Panny Pangandaman of Bandara-inged, Maharlika Village, told INQUIRER some 100 other Muslim organizations will sign the petition.

The petition, copies of which will be furnished all OIC members, the Quadripartite Committee and the Sultanate of Sulu, expressed "unequivocal support" for the MNLF under Misuari and urged the OIC to give it full membership status as the sole voice of the Bangsa Moro people.

The petition said the government-sponsored Autonomy Act for Muslim Mindanao was a failure and was not the solution to the problem of Bangsa Moro. It said the "only bright hope of the Bangsa Moro people lies in the hands of our Muslim brothers in the world and especially in the OIC."

Pangandaman said the petition will be submitted in time for the OIC meeting in June.

The MNLF currently holds an observer status in the OIC, the 46-nation association of Muslim states. Membership to this powerful pan-Islamic body will enable the MNLF to function as a de facto state.

Former assemblyman Homobono Adaza, who is guest at the celebration, joined Misuari in denouncing President Aquino's Organic Act. He said the establishment of an autonomous region in Mindanao is useless because the provinces remain dependent to the national government. Criticizing president Aquino's "divide and rule" system, Adaza said only federalism can solve the problems of Muslim Mindanao. Adaza said if the government does not implement federalism within the year, there will be a continuing and drastic shift to the campaign for independence, instead of federalism.

He also warned that the "volatile situation" in Mindanao and the ineptitude of the government might soon give birth to a simultaneous hostility in the region.

11 More Civilians Cleared of Rebellion Charges

HK1503043390 Manila MANILA BULLETIN in English 15 Mar 90 pp 1, 12

[By Rey Panaligan]

[Text] Eleven more civilians were cleared yesterday of rebellion charges filed against them in connection with the Dec. 1-7 coup attempt.

State Prosecutor Angel Ragaza identified them as Col. Job Gavino, Philippine Ports Authority (PPA) police chief, and his men—Ronnie Abundo, Ernesto Domingo, Augusto Pilapil, Renato Villanueva, Manuel Coching, Antonio Ariola, Matias Tamayao, Francisco Tamayao, Arturo Navarro, and Armando Manuel.

Ragaza, together with State Prosecutors Melchor Sadang and Eulogio Manangquil who investigated the rebellion charges, said they did not find enough evidence to indict the 11 PPA policemen.

In their resolution, the prosecutors said "the acts attributed to them are ambiguous and indefinite." The PPA policemen were charged when they were seen in the PPA premises last Dec. 1, the first day of the coup attempt, reportedly with heavily armed rebel soldiers. But the prosecutors said "their acts alone do not show that they actually joined the rebels and agreed to their criminal design, and that their presence at the scene is not unusual since it was their place of work and being port policemen, their carrying of firearms was part of their duty."

This brought to 16 the total number of civilians cleared of rebellion charges.

Earlier, Justice Secretary Franklin M. Drilon had said there was no legal basis to indict former energy minister Geronimo Z. Velasco, Makati Councilor Bobby Brillante, retired Brig. Gen. Jaime Echeverria, Cagayan provincial board members Nerina Padilla, and customs employe Catalino Bondoc.

Meanwhile, relatives of political detainees asked Chief Justice Marcelo B. Fernan to release from detention members of their families who are languishing in jail on rebellion charges.

The plea was aired by the Kapisanan para sa Pagpapalaya at Amnestiya ng mga Detenido sa Pilipinas (Kapatid) [Organization for the Release of Political Detainees] in an audience with Fernan.

The group was led by Mrs. Paula Malay, mother of detained suspected communist leader Carolina Ocamp, wife of Satur Ocampo, another suspected communist leader; Josefina Salas, wife of detainee Rodolfo Salas; and Soledad Rivera, wife of Juanito Rivera.

They invoked the recent Supreme Court (SC) ruling on the cases of Sen. Juan Ponce Enrile, hotel owners Rebecco and Erlinda Panlilio, and retired Brig. Gen. Felix Brawner in seeking the release of their relaties.

Enrile, the Panlillios, and Brawner were granted provisional liberty by the SC when they were detained on charges of rebellion complexed with other crimes.

Fernan told the group: "It is not what I that prevails, it is what the whole court wants." He assured them that "I will take this up with the 14 other members of the tribunal."

Spokesman Confirms MNLF, RAM Alliance

HK2003031390 Manila PHILIPPINE DAILY INQUIRER in English 20 Mar 90 p 11

[By Cynthia de Leon]

[Text] Zamboanga City—Moro National Liberation Front [MNLF] spokesman Ustadz Sharif Zain Jali has confirmed an alliance between the MNLF and the Reform the Armed Forces Movement (RAM).

"Chairman Nur Misuari favored the alliance because RAM promised, committed to honor the Tripoli Agreement," Jali told the INQUIRER.

Jali said the alliance that began last month was bridged by the Mindanao Independence Movement (MIM).

"There is an alliance between us and (MIM chairman) Reuben Canoy. Canoy had an alliance with RAM. Chairman Misuari is talking with both Gringo and (Lt. Col. Alexander) Noble," he said.

National MNLF leaders "facilitated" Misuari's contact with RAM, he said, but did not disclose where and how many times they met.

He said Misuari who is in the Middle East "cannot possibly come here because he is wanted."

Asked why the allied forces are pursuing an armed revolution despite the general public's condemnation of violence, Jali replied, "When you die of (SIC) bullets, that's destiny. Don't be afraid of dying."

He said the MNLF will declare independence once its application for Mindanao statehood is approved by the Organization of Islamic Countries (OIC) when it meets May 20 in Cairo, Egypt. Reminded of the reported rejection of previous applications, he said "We never filed before. We only said we did but that was only propaganda. This is a battle of nerves, you know."

Meanwhile, in Cagayan de Oro, Canoy announced yesterday that secessionists, landowners, farmers and multisectoral groups have formally united with rebel soldiers to establish the "Free State of Mindanao" as part of a "confederation" or "commonwealth" of the Philippines which will include Luzon and the Visayas as "states."

In a "high-level" conference in Agusan del Sur over the weekend, leaders and representatives of the MIM, the Movement for a Better Mindanao (Mobemin), and various sectoral groups "unanimously chose Col. Alexander Noble to head their umbrella organization called the "Crusade for a Free Mindanao (CFM)," Canoy said.

Detained Communists Denounce 'Double Standard'

HK2003042590 Manila PHILIPPINE DAILY INQUIRER in English 20 Mar 90 pp 1, 7

[By Nimfa Rueda]

[Text] Thirteen suspected communist leaders detained at Camp Crame yesterday denounced the "double standard of justice" of the Aquino administration which, they said, refused to grant them provisional liberty as it had Sen. Juan Ponce Enrile.

In a statement, the suspected communist leaders said Enrile was granted the right to post bail while many of them, who were charged with simple rebellion and other bailable offenses, remained in detention.

Charges of rebellion with murder and frustrated murder were filed against Enrile and several other civilians suspected of being involved in the bloody December putsch. No bail was recommended but the Supreme Court subsequently overruled the justice department.

The detainees cited the case of Rodolfo Salas, alleged chairman of the Communist Party of the Philippines, who was granted bail by a Regional Trial Court for the offense of simple rebellion in 1987. The justice department, however, appealed the ruling to the Supreme Court where the case is still pending.

"Salas remains imprisoned because the Supreme Court issued a restraing order filed by the Aquino government. While the Supreme Court took less than a week to decide an grant bail to Enrile despite his being charged with a graver and non-bailable offense, it has been sitting on Salas' case for more than two years now, thereby condemning him to indefinite detention...," the detainees said.

The detainees were reacting to the statement of Presidential Spokesman Adolfo Azcuna that political detainees should not be given the provisional liberty granted to Enrile since they were covered by a separate law.

"It (Azcuna's statement) only glaringly exposed the Aquino regime's own standard of injustice and its repeated violation of the Constitution," the detainees said.

They called on the government to "learn to respect its own Constitution and apply the right to bail, equal protection of the law and speedy trial to every Filipino, irrespective of political beliefs and social standing."

In another development, 13 military officers jailed in connection with the December putsch urged the Philippine Military Academy Alumni Association (PMAAAI) to file a complaint of illegal detention against the government. In a letter to PMAAAI chairman Juanito Ferrer, the military officers said their detention was illegal since charges are yet to be filed against them. "We hereby request the PMAAAI through you, to look into our cases and make the appropriate are arrangements with the authorities in order that we will not continue to be detained in jail without proper charges in violation of our rights," said the officers.

In their two-page letter, the officers said their detention at Camp Crame stockade violated their right to due process, presumption of innocence and speedy trial. The officers added that although their case was covered by the Articles of War and the manual for Courts Martial, they were also Filipino citizens protected by the Bill of Rights. "We are not asking for anything else but protection of our constitutional rights. The question as to which side we belonged to during the attempted coup is of no moment here," they said. "We hope that what happened to the late Capt. Fermin Cuison, who died

while in detention without any charge filed against him, would not happen to us," they said.

Military Offensive Drives Rebels Out of Negros

HK2003025390 Quezon City Radyo ng Bayan in Tagalog 0200 GMT 20 Mar 90

[Text] Brigadier General Romeo Zulueta, the Visayas military command chief, said that rebel communists fled from a place near Panay on Negros Island to escape a military offensive in the area. In his meeting with Defense Secretary Fidel Ramos, Zulueta said that the military is presently carrying out an offensive against the communist rebels in Negros Occidental, particularly in the towns of Cauayan, Hinoba-an, Ilog, Candoni, Kabankalan, and Sipalay in an effort to stop rebel atrocities in the area.

Meanwhile, Brigadier General Pedro Sistoza, the regional command 6 PC-INP [Philippine Constabulary-Integrated National Police] commander in Western Visayas, said he has alerted his men to the arrival of the communist rebels in Panay.

Military Seizes Arms, Ammunitions in Cagayan

HK1703007490 Manila MANILA BULLETIN in English 17 Mar 90 pp 1, 17

[By Owen Masaganda]

[Text] Gattaran, Cagayan—Military operatives here have recovered 2,400 Soviet-made bullets, two Armalite rifles, and single sideband radio sets that can contact various points in the Philippines and abroad, it was learned yesterday.

Col. Miguel F. Fontanilla, recom [Regional Command] 4 PC-INP [Philippine Constabulary-Integrated National Police] commander, helicoptered here yesterday and received the Soviet made bullets and radio sets from the 11th Marine battalion which recovered them during a raid in the far-flung barangay of Kapitigan of Gattaran town. Fontanilla ordered the inventory of all firearms which were confiscated or surrendered by rebels.

Major Arnold Blanco, commander of the 11th Marine battalion which operates in Northeastern Cagayan up to the boundary of Kalinga-Apayao and Ilocos Norte, reported to Col. Fontanilla that his men dug up the bullets, radio sets, and two Armalite rifles in a yard in barangay Kapitigan. Maj. Blanco also reported that militiamen and civilian supporters of suspended Gov. Rodolfo Aguinaldo had earlier surrendered to him 20 M-16 Armalite rifles, two radio sets, and ammunition in barangay Tanglagan.

Earlier, Tanglagan barangay captain Rollie Barbosa was captured with 34 other Aguinaldo followers. Gattaran Mayor Venecio Agatep said that Barbosa will be charged with rebellion. He recommended to Local Government Secretary Luis Santos that first barangay councilman Victor Orpilla replace Barbosa as barangay captain.

Mayor Agatep asked Col. Fontanilla that residents of barangays formerly controlled by Aguinaldo's private army be given protection by the military. Fontanilla ordered the Marines and the Cagayan PC under Lt. Col. Percival Aldaba to patrol the remote barangays here.

Orpilla said that the Soviet-made bullets and radios came from the New People's Army (NPA) rebels in Cagayan who later surrendered to Governor Aguinaldo and were recruited into his militia force.

Fontanilla and Lt. Col. Armenio Cristal, operations chief of the Philippine Marines here, said the military equipment proved that the NPAs are receiving support from foreign sources.

Fontanilla said that elements of the 5th Division of the Army and the Northern Luzon Command (Nolcom) under Brig. Gen. Orlando Soriano and Brig. Gen. Orlando Q. Antonio are in pursuit of Aguinaldo and his men in Cagayan, Kalinga-Apayao, and Ilocos Norte.

Column Examines Port Development Program

HK1603032490 Manila BUSINESS STAR in English 16 Mar 90 p 12

["Indicator" column by researcher Conrado M. Diaz Jr: "Gov't Sets P476M for Dev't of Secondary Ports"]

[Text] A total of P[pesos]475.612 million is being invested by government this year in the development of feeder or municipal or secondary multi-purpose and regional fishing ports in the country, data from the Department of Public Works and Highways (DPWH) reveal.

The amount, it was learned, is 70.5% of the total P674.693 million which Congress, by virtue of the General Appropriations Act, has accorded the DPWH for the implementation of its 1990 Port Development program.

The remaining 29.5% or P199.081 million, the DPWH explained, constitute automatic appropriations under the Public Works Act.

In addition to the appropriated amount is P50 million which has been allotted in anticipation of the approval of a loan from the Asian Development Bank (ADB). This additional amount is intended for new foreign-assisted projects under the overall program's feeder port development component.

Based on the DPWH's records, the country has 554 feeder ports which are outside the jurisdiction of the Philippine Ports Authority (PPA), the body which manages national ports.

Many of the feeder ports, the DPWH said, are in a bad state of disrepair, lack basic facilities and are generally unprofitable to operate compared to national ports.

But they must be tended to since such ports are still important to the socio-economic needs of many rural communities and islands in the country. In fact, to these

communities and islands, feeder ports are their only links to the national economic mainstream, the DPWH said.

Based on its master plan, the DPWH will rehabilitate and improve 472 of the total 554 feeder ports this year at a cost of P448.385 million.

The agency is assigning the highest project implementation priority to the following:
—ports with a significant population served and where per capita income is low;
—ports with important agricultural and industrial potentials inland;
—ports situated in sub-regional growth centers; and,
—ports in areas which lack alternate transport modes.

Special attention is also being given feeder ports with large volumes of traffic and high levels of cost-effectiveness, the DPWH said. The same will be extended specialized fishing ports where the DPWH intends to develop proper landing, handling, marketing and storage facilities for fish and fish products.

In addition to the above, the 1990 program has also provided for the DPWH to continue working on the following: the OECF (Overseas Economic Cooperation Fund)-assisted construction of Package I regional fishing ports in Sual, Pangasinan, Lucena City, Quezon and Camaligan, Camarines Sur; extension of the breakwater at Iloilo Fishing Port Complex; procurement of an ice-making plant and water treatment system in the Zamboanga fishing port; and, detailed engineering works for Package II regional fishing ports in Cadiz, Cebu City, Cagayan de Oro, Tacloban, and Davao City. To these, the government has programmed investments amounting to P226.308 million.

Over-all, the P724.693 million outlay, which already includes the P50 million for new foreign-assisted projects, is only a 1.7% increase from last year's appropriation of P712.555 million. This is because this year's budget for lighthouse projects has been given to the Department of Transportation and Communication (DOTC).

Drought Damages P1.5 Billion Worth of Crops

HK1503044790 Manila PHILIPPINE DAILY GLOBE in English 15 Mar 90 p 7

[By staff writer David Jude Sta. Ana and correspondent Chandler Ramas III]

[Text] The drought plaguing various parts of the country has damaged an estimated P[pesos]1.5 billion worth of rice and vegetable crops to date.

The estimate was made by the Department of Agriculture (DA), which submitted a report to Defense Secretary Fidel Ramos, chairman of the National Disaster Coordinating Center (NDCC), on the damage wrought by the drought since December 1989.

Ramos relayed the DA report to President Aquino and the Cabinet yesterday.

According to the DA report, 218,201 hectares of cropland have been affected by the drought, resulting in the loss of 4,265,285 cavans of rice and corn.

To help residents in drought stricken areas, the government has implemented a five-point rehabilitation program, Ramos said. The program consists of the following:
/m/mThe immediate dispersal of ducks and native chickens to affected farmers.
/m/mFree vaccination of livestock to mitigate disease infestation.
/m/mDistribution of seeds to farmers whose crops have been destroyed.
/m/mDistribution of assorted vegetable packets to farmers for emergency backyard food production.
/m/mDistribution of fertilizers to farmers whose crops were totally damaged.
/m/mThe drought is expected to last well into the end of summer, the DA said.

According to the Department of Social Welfare and Development (DSWD), some 135,527 families from regions II, III, VI, IX, X and XI have been affected by the drought. The DSWD, Ramos said is providing emergency assistance to these families, especially those living in depressed areas.

The different Regional Disaster Coordinator Councils (RDCC) have also been directed to organize composite disaster coordinating teams to disseminate information on measures to mitigate the effects of the drought.

The different government departments and agencies, Ramos said, are also stepping up their efforts to cushion the effects of the drought.

The Philippine Air Force, Ramos said, will continue its cloudseeding operations over Angat Dam in Bulacan and Pantabangan Dam in Nueva Ecija to increase Metro Manila's water supply. Similar operations are being conducted in Iloilo, Capiz and Isabela.

Meanwhile, the dry spell plaguing Central Luzon since October 1989 has to date damaged rice crops worth P.5 billion in four provinces of the region, the Department of Agriculture regional office here said.

In its latest report Wednesday, the DA said they had launched a crash recovery program encouraging farmers in the region to plant cash crops like mongo, sitaw and other vegetables, to offset their losses.

Renato Dulay, DA regional director for Central Luzon, said Angat Dam's critically low water level, which was caused by denudation of nearby forests, had affected Pampanga, Nueva Ecija, Tarlac, and Bulacan provinces, damaging rice crops worth P589,800,000.

According to Dulay, the total land area planted to rice that has been damaged by the drop in Angat's water level

stood at 26,190 hectares in the four provinces alone. Angat's water level, which should be 217 meters, has dropped to an alarming 196 meters, he reported. The four provinces affected rely mainly on Angat Dam for irrigation of their crops.

Thailand

NSC Chief Confirms Closure of Cambodian Camps

BK1803031090 Bangkok BANGKOK POST in English 18 Mar 90 p 1

[Text] The National Security Council [NSC] confirmed for the first time yesterday that all refugee camps on the Thai-Cambodian border are to be closed and their population of some 300,000 Khmer moved to neutral camps. "The question now is not whether the existing camps should be closed and replaced by neutral camps, but how we should set up the new camps and operate them," said NSC chief Suwit Sutthanukun.

Senior officials dealing with refugee problems are scheduled to meet tomorrow to discuss the Government's plan to set up neutral camps for the 300,000 Khmer refugees, he said. Mr Suwit told the BANGKOK POST that permanent secretaries from the interior, foreign and defence ministries and his agency will discuss how neutral camps will be set up and administered after all existing camps are closed.

Prime Minister Chatchai Chunhawan, citing problems of corruption, rampant crime and political factionalism at existing Khmer refugee camps, proposed earlier this month to close all existing camps and move the refugees to neutral facilities. Although Gen Chatchai's proposal to set up neutral camps has won praise and support from United Nations organisations, aid workers, and the European Community, the move has caused concern with the US.

US Ambassador to Thailand Daniel O'Donohue sought to meet Interior Minister Banhan Sinlapa-acha to inquire about details of the neutral camps. Speaking on condition of anonymity, a US diplomat said the US supports creation of conditions which ensure the safety and well-being of Cambodians in the border camps.

Analysts said Gen Chatchai's proposal to close the existing camps is widely seen as a political signal of diminishing support for the Cambodian resistance. "A new page is about to be turned, with what seems to be a new sign of hardening towards the resistance," one analyst said.

Mr Suwit said the officials, appointed by the Cabinet to form a subcommittee, will meet to discuss various problems that might occur after the relocation.

Mr Suwit said refugees moved to the new camps will hold a status similar to displaced persons and will be subject to ultimate repatriation in Cambodia as they are not eligible for resettlement in third countries.

Officials will try to work out an administrative system at the new camps to ensure the refugees are not under the influence of Khmer factions fighting in Cambodia, he said. Thailand will administer the new camps with support from the United Nations. "We will continue to have sovereignty over the new camps," he said.

Mr Suwit indicated there could be more than one neutral camp to house the refugees.

He said Khao I Dang, which has been proposed by international aid agencies as a neutral camp, can take more than 100,000.

Chatchai Approves Cabinet Reshuffle Moves

BK1603013990 Bangkok THE NATION in English 16 Mar 90 p 1

[By Thammasak Lamaiphan, Aphithak Thanasetthakan]

[Text] Prime Minister Chatchai Chunhawan yesterday gave the go-ahead for Chat Thai Party coalition partners, particularly the trouble-plagued Social Action Party [SAP], to initiate reshuffling of their ministers. Chatchai made the move after two meetings with SAP deputy leader Phong Sarasin yesterday, first in the morning at his Ratchakhru residence and later at Government House.

SAP's Commerce Minister Subin Pinkhayan was also present at Phong's second meeting with the premier. Subin is one of the ministers under pressure to be removed by a group of dissident party MPs [members of parliament] led by secretary general Montri Phongphanit.

Subin was tight-lipped when he encountered a crowd of reporters after the meeting. Chatchai downplayed a Cabinet reshuffle as "normal phenomenon in a democratic system" when he spoke with reporters. He said he had advised coalition partners that rotation among their ministers would rejuvenate the Cabinet.

"I have given them the right to initiate it. Such changes can be made," Chatchai said. "There should be Cabinet changes before Parliament reconvenes in May," he said.

He said he met Phong to ask him about reports that a group of more than 20 SAP MPs were calling for the replacement of "inefficient, scandalous" SAP ministers.

Phong told reporters that the proposal to reshuffle would only be discussed in the presence of party leader and Foreign Minister Sitthi Sawetsila, who cut short his European trip to return to Bangkok this morning. The proposal is expected to be discussed at the next meeting of party executives and MPs on March 26. However, Phong tried to downplay speculation about a showdown at the party meeting. "I don't anticipate any dramatic event at the meeting," he said.

Phong also expressed strong objection to an attempt to replace Sitthi as party leader. "I don't think the party leader can be replaced now. It does not make sense that all of a sudden, we will change our party leader," he said.

apparently referring to reports that the campaign for a SAP Cabinet reshuffle was aimed at removing Sitthi from the top party post.

Lobbyists of the disgruntled MPs told THE NATION that they would push for Sitthi's "promotion" to party chairman. They want Phong to succeed Sitthi as interim leader. The lobbyists said that at the party meeting on March 26 the dissident MPs plan to introduce a motion calling for the removal of four ministers from the Cabinet. They are Sitthi, Deputy Foreign Minister Praphat Limpaphan, Commerce Minister Subin and Deputy Commerce Minister Phinya Chuaiplot.

The MPs also plan to push for party approval to exchange its foreign portfolios for other posts, presumably the industry portfolios, with the Chat Thai Party. The lobbyists said that Montri informed former party leader M.R. Khukrit Pramot of the plan and claimed they had won his approval for the move.

A group of SAP ministers, including Deputy Communications Minister Nikhom Saencharoen, Deputy Education Minister Mai Sirinawakun and Deputy Interior Minister Santi Chaiwirattana, plan to pay a courtesy call on M.R. Khukrit on Sunday or Monday. The ministers are expected to seek M.R. Khukrit's advice on ways to restore the party's reputation.

Phong said the party had not yet discussed any plans to turn over the foreign ministry posts to Chat Thai in exchange for another portfolio. "It's now only a matter of speculation," he said.

The premier also said that his Chat Thai Party had not yet discussed any changes in its own lineup.

Prime Minister Confirms Cabinet Shake-Up Plan

BK2003022590 Bangkok BANGKOK POST in English 20 Mar 90 pp 1, 3

[Excerpts] Prime Minister Chatchai Chunhawan, who has evaded the question of whether or not the Cabinet reshuffle will affect his Chat Thai Party, confirmed yesterday some ministers in his party's quota will have to go in the shake-up before Parliament reopens in May. The Premier said, however, the anticipated change is normal in the democratic process.

Gen Chatchai did not elaborate on the identities and the exact number of the Cabinet ministers with Chat Thai that may be affected by the reshuffle, but gave an assurance the changes will be for the better. [passage omitted]

While denying the reshuffle is primarily aimed at removing scandal-linked ministers, Gen Chatchai said the change will give a chance to newcomers to demonstrate their ability and to know how difficult Cabinet jobs are. He said he is pleased with the performance of all existing Cabinet ministers.

He said the reshuffle should be conducted before Parliament reopens and coalition partners will be given the freedom to reshuffle Cabinet members in their quotas. "They can shuffle their Cabinet members the way they want. Then we can meet to discuss whether the nominees are suitable to replace those who will be affected," Gen Chatchai said.

Gen Chatchai yesterday also assured members of the House Military Committee he will not dissolve Parliament, but will definitely reshuffle the Cabinet. Committee spokesman Chaweng Wongyai said Gen Chatchai gave the assurance when the committee, led by Adm Siri Sirirangsi (Phalang Tham—Bangkok), called on him to bid farewell, since the committee is scheduled to visit Europe from March 26 to April 8. "The Prime Minister confirmed there would be no dissolution of Parliament, but that he would reshuffle the Cabinet," Mr Chaweng said.

Social Action Party Leader ACM [Air Chief Marshal] Sitthi Sawetsila told reporters in a separate interview he had inquired of Prime Minister Chatchai about the reshuffle and had been informed the shake-up will affect all parties in the coalition.

Foreign Minister Vows To Stay On, Fight

BK2003021190 Bangkok BANGKOK POST in English 20 Mar 90 pp 1, 3

[Text] A confrontation appears to be looming within the Social Action Party [SAP] as Foreign Minister Sitthi Sawetsila vowed yesterday he would fight any attempt to remove him as party leader. In a reversal of his previous statement last Friday [16 March], in which he said he is ready to quit the leadership if this is demanded by the party, ACM [Air Chief Marshal] Sitthi said:

"I want to make it known here that I will fight, because I don't like being forced to do anything. When I was young, I would punch any person who dared challenge me to a fist fight."

Party sources told the BANGKOK POST last night that ACM Sitthi is expected to meet senior party members today to discuss the move. ACM Sitthi will meet Deputy Prime Minister Phong Sarasin, Communications Minister Montri Phongphanit and Commerce Minister Subin Pinkhayan.

ACM Sitthi's words yesterday differed sharply with his seemingly resigned statement on Friday that "old soldiers never die, they just fade away." The minister made the comment when first asked about the move by a number of SAP MPs [members of parliament] to remove him as Foreign Minister. The MPs have submitted a motion for the party to debate the issue this coming Monday.

The motion does not name which ministers should be replaced, but it is understood the move to replace ACM

Sitthi is an indirect attempt to change the party leadership. ACM Sitthi's combative stand came as [former] SAP leader M.R. Khukrit Pramot said that in principle the party leadership is not a position that lasts forever and should be changed, otherwise there would be too much dependence on the individual.

The SAP leader said that when he met M.R. Khukrit on Sunday, he told the elder statesman that he was prepared to resign. "I told him (M.R. Khukrit) that I will resign, but not now. I told him that I would leave the way he did," ACM Sitthi said.

ACM Sitthi said that he would go ahead with his plan to visit China between March 27 and April 3 if there was no change in his party. "I hope that I will be able to have some time to relax during the trip," he said. The trip would be followed by his visit to Vietnam at the invitation of Vietnamese Foreign Minister Nguyen Co Thach, ACM Sitthi said.

Earlier yesterday morning, ACM Sitthi said that there would be no change in the party leadership because he would not resign. ACM Sitthi said if there was to be any change in the party leadership, the change would have to take place next year when his term expires. "I will not resign now, but will stay on," ACM Sitthi said.

ACM Sitthi denied Press reports that he was thinking of resigning because he was demoralised, saying that he was determined to fight when he decided to enter politics. The issue of whether there would be a change in the SAP leadership is considered over, he said.

ACM Sitthi said he met SAP deputy leader Phong Sarasin and secretary-general Montri Phongphanit after his return from Eastern Europe last week and they did not mention anything about a possible attempt to remove him as party leader.

The Foreign Minister also dismissed as speculation that there was a move to bring Army chief Gen [General] Chawalit Yongchaiyut in as SAP party leader after he resigns after March 27. But he said that if Gen Chawalit were to join the SAP, in whatever capacity, the general would be welcome.

Speaking during a question-answer session following a seminar organised by Thammasat and Mahidon Universities at the Salaya campus, M.R. Khukrit said that he did not discuss the ouster move when ACM Sitthi called on him at his Soi Suan Phlu home on Sunday. ACM Sitthi usually brings him gifts after returning from an overseas trip, M.R. Khukrit said adding that they did not speak of the political situation.

"We know each other well and comments are useless because I know what he will say and he knows what my reply will be. So why speak when it could hurt feelings," the former prime minister said without elaborating.

M.R. Khukrit said a change in the party leadership would help strengthen the principles of the party. He recalled that he left the party (which he founded) because there was a tendency at the time towards "Khukritism."

Asked whether a change in the party leadership would be "good," the former leader said: "In principle it is a good thing."

In response to a question whether the current political situation is conducive to a change in the party leadership, M.R. Khukrit said he could not see why it is not conducive.

M.R. Khukrit said he could not say whether ACM Sitthi had been party leader for too long. "But if you ask ACM Sitthi, he would probably say that it is not the right timing. I don't know what is right (timing) and what is not."

Party sources added yesterday that many SAP MPs discussed the issue among themselves. The MPs likened the move against ACM Sitthi to the feeling MPs had towards M.R. Khukrit prior to his resignation.

One of the sources said that a considerable number of MPs felt ACM Sitthi was too protective of his Deputy Foreign Minister, Praphat Limpaphan, who had been in the post for 10 years, but has allegedly poor rapport with party MPs. M.R. Khukrit was also too protective of former Commerce Minister Koson Krairoek, said one source. Mr Koson is now with Prachakon Thai.

The sources said that senior party members were not able to detect this feeling until it was about to explode.

Many SAP MPs agreed yesterday that they did not want to do anything that would "hurt" the party leader, but wanted him to effect changes, particularly with regards Mr Praphat and Deputy Commerce Minister Phinya Chuaiplot the sources said.

Sources added yesterday that Minister Phinya—who got himself into hot water by approving the import of video gaming machines—started defending his position as a minister yesterday. Mr Phinya reportedly argued that he was able to bring in five MPs in the South during the last elections. He also reportedly said that the controversy over the gaming machines had not damaged the party.

Meanwhile, Deputy House Speaker Thana Mettarikanon (SAP, Ubon Ratchathani) denied yesterday there is a move to change the party leader. He noted that many key and senior SAP members, such as Mr Phong, were upcountry. "There's no such move. Everyone in the party respects ACM Sitthi," he said adding that the Foreign Minister is suited for the top party post. He reiterated that the motion to discuss changes within the SAP ministerial posts did not mention any names.

Mr Thana said he did not think ACM Sitthi would be disheartened and resign, but that he is prepared to listen to the view of the majority.

Vietnam

Article Praises Closure of Khmer Refugee Camps

BK1603091190 Hanoi International Service in Thai 1130 GMT 15 Mar 90

[Article: "The Evil Tiger Should Be Eliminated"]

[Text] For those who follow developments on the Cambodian problem, it is general public opinion that the continued presence of the Khmer Rouge will obstruct fair settlement of the Cambodian problem. With foreign assistance, the Khmer Rouge immediately fanned the fire of civil war after the Vietnamese troop withdrawal by capturing some western and northwestern Cambodian territories to use them as a beachhead to return to power in Cambodia. The Khmer Rouge could again commit their crimes because they have continued to have sanctuaries (?outside) the Cambodian border and receive foreign material assistance to wage a war. Based on a desire to play a part in the settlement of the Cambodian problem corresponding to the wish of the Thai people, Thai Prime Minister Chatchai Chunhawan recently ordered the closure of all Cambodian refugee camps in Thailand. According to him, these refugee camps have created many problems, particularly against Thai security.

As the situation changes, the Thai Government has taken a more realistic look at the Cambodian problem, showing an attitude and taking actions aimed at assisting and accelerating a settlement of the Cambodian problem. Public opinion has commended such action by the Thai Government. Now, his excellency Chatchai has ordered closure of the Cambodian refugee camps in his country. It is a fact that these Khmer Rouge and Cambodian resistance refugee camps have been used to oppose the Cambodian people and as bases for committing crimes against those people, as well as for harming, robbing, and raping nearby Thai people. It is clear that his excellency Chatchai's closure of the camps is a very commendable act which will help eliminate the crimes committed by the Khmer Rouge and the evil tigers who have intimidated the Thai people for some time. His action will contribute to a settlement of the Cambodian problem. It is general public opinion that Chatchai's decision will definitely be carried out.

Hanoi Says China Resumes Aid to KPNLF

BK1903152990 Hanoi International Service in English 1000 GMT 19 Mar 90

[Text] China has resumed military aid to the so-called Kampuchean People's National Liberation Front [KPNLF]. According to the East German news agency ADN, the Singaporean newspaper THE STRAITS TIMES quoted a spokesman for the front as saying in Thailand that China needs the forces of Sihanouk and Son Sann now that the possible Khmer Rouge return to Cambodia is posing a threat to the whole world.

New Envoy to China Says 'Happy To Be Back'

BK1503130890 Hanoi International Service in English 1000 GMT 15 Mar 90

[Text] Mr. Dang Nghiem Hoanh, the new Vietnamese ambassador to China arrived in Beijing on Tuesday [13 February]. Speaking at the airport, Mr. Hoanh said: I have many memories of Beijing and I am very happy to be back after many years. I hope that Vietnam and China would soon normalize relations and I will do my best to this end. I expect assistance from the Chinese Foreign Ministry and other ambassadors in Beijing.

Draft Tax Laws Made Public at News Conference

BK1603071790 Hanoi Domestic Service in Vietnamese 1100 GMT 13 Mar 90

[Text] The Office of the National Assembly and Council of State and the Ministry of Finance jointly held a news conference in Hanoi this afternoon to make public four draft laws on agricultural, business revenue, special consumption, and income taxes to solicit suggestions from the people. On the basis of such suggestions, the responsible organs will work to perfect the draft laws and submit them to the upcoming seventh session of the National Assembly for adoption. Addressing a large number of press, radio, and television correspondents from the central level and Hanoi, Finance Minister Hoang Quy said: Renovation of the tax system must ensure that the following requirements are met and basic viewpoints implemented:

—Tax must become the state's key instrument in its macroeconomic management and regulation and must contribute to the management of the entire national economy. At the same time, tax must also be a tool for promoting and improving the cost-accounting system in each basic unit.

—Tax must be used to strongly encourage and promote development of commodity production, expand goods circulation, encourage healthy competition among different economic sectors and all organizations and individuals to carry out production and business activities with high economic efficiency and in accordance with state laws.

—Tax must be designed to strongly encourage import-export activities, to protect both the interests of parties concerned and domestic production, to stabilize prices, and to ensure a healthy standard of living in the country.

—On the basis of strongly encouraging development of production and generating abundant national income, tax must play an active role in the national income distribution and redistribution process. It must help guarantee social justice among the population of all strata and encourage all people to enrich themselves legitimately, and it must prevent too wide a gap between the two extremes—the very rich and the very poor. It must also contribute to correctly settling the

relationships between accumulation and consumption, between production and the people's standard of living, between the interests of the state and those of the collective and individual, and between the interests of the various economic sectors and components in the national economy.

—We must ensure that the contents of tax policies, the tax rate system, and tax computation methods are relatively simple and easy to understand, enforce, and control. This is to guarantee that all people can easily grasp the contents of the tax policies and readily carry out their citizens' obligation in tax payments.

—The new tax system must be applied to all economic components without discrimination between governmental and nongovernmental sectors and ensure equality between all economic components and justice among all strata of people.

The comrade finance minister then presented in detail the contents of the draft laws on agricultural, business revenue, special consumption, and income taxes.

Veterans Associations To Be Set Up in Provinces

BK1703095490 Hanoi Domestic Service in Vietnamese 1400 GMT 15 Mar 90

[Text] According to the paper QUAN DOI NHAN DAN, under the assignment of the provisional executive committee of the War Veterans Association, Senior Lieutenant General Song Hao, president of the committee and Senior Lt. Gen. Bui Phung, Lieutenant Generals Lu Giang and Le Hien Mai, and Comrades Ha Ke Tan and Nguyen Thi Chieu, members of the committee, recently traveled to Hanoi municipality, Haiphong city, and Hai Hung, Quang Ninh, Ha Bac, and Nghe Tinh provinces to carry out work in preparation for the execution of the decisions of the party Central Committee Secretariat and the Council of Ministers on the setting up of war veterans associations in those localities.

At meetings held in Haiphong, Hai Hung, Quang Ninh, Ha Bac, and Nghe Tinh, the comrade president and members of the association executive committee briefed the local leaders—comprising party committee secretaries, people's committee chairmen, and Vietnam Fatherland Committee chairmen, and military commanders—and representatives of the organs and sectors concerned on the decision of the party Central Committee Secretariat and Council of Ministers, as well as on the draft statute of the association and major, immediate tasks concerning the setting up of the war veterans associations at various levels between now and April this year.

President Interviewed

BK1603092190 Hanoi VNA in English 0701 GMT 16 Mar 90

[Text] Hanoi VNA March 16—"The common desire of us, veterans, is to pass on our experiences and knowledge to the younger generation in building the armed forces in the present context of the national situation," said Senior Lieutenant General Song Hao, president of the Provisional Executive Central Committee of the Vietnam Veterans Association [VVA] in an interview with the army paper QUAN DOI NHAN DAN recently.

Asked about the tasks of the association whose provisional executive committee has been set up by decision of the Council of Ministers, Song Hao said: "As stated in a draft statute to be submitted to its first congress, the VVA has the following tasks:

—to unite all Vietnamese veterans to help one another in preserving and enhancing the fine traditions of the Vietnam People's Army.

—to actively contribute to the party's process of renovation, and the fight against corruption, bureaucratism, self-assigned privileges, authoritarianism and other negative aspects, thus making social relations healthier, to defend the party's ideal and objectives and the revolutionary power, help build the all-people national defence in face of the schemes to abolish the gains of the revolution and socialist construction.

—to educate, together with other social and mass organizations and concerned branches, the young generation about patriotism, the love of socialism and the spirit of internationalism and the friendship among nations.

—to contribute to the implementation of the policies regarding the people's duty toward the army, war invalids, the families of fallen combatants and demobilized soldiers and protect their legitimate moral and material interests according to state law and policies and help one another in solving difficulties in our daily life.

—broaden the VVA relations with other war veterans associations in the fraternal and friendly countries in the struggle against aggression, for peace, solidarity and friendship among nations."

Meeting Held

BK1603072690 Hanoi Domestic Service in Vietnamese 1400 GMT 15 Mar 90

[Text] The Vietnam War Veterans Association of the First Precinct, Ho Chi Minh City, has been organized and held its first public ceremony at Conference Hall No. 6 in Mac Dinh Chi. At the debut ceremony, association members expressed their clear-cut stance on the complex developments in a number of socialist countries at a time when Vietnam is making progress in its renovation undertaking. They affirmed the socialist path led by the glorious communist party, pointing out that despite numerous difficulties, missteps, and mistakes which need to be resolutely addressed, they would strive to take advantage of the current stable situation to surge forward.

Defense Ministry To Resolve War Vestiges by 1992

BK1603101790 Hanoi Domestic Service in Vietnamese 1100 GMT 12 Mar 90

[Text] The Ministry of National Defense has issued a directive reminding responsible military organizations of the need to settle the vestiges of war once and for all by 1992 at the latest. The directive notes: All military regions, units, and agencies concerned should regard this work as part of the important regular tasks they must carry out on a quarterly or yearly basis. It is necessary to assign people to take charge of this task and to formulate concrete plans and measures aimed to guarantee good work implementation and close supervision and control. Guidance over the settlement of the vestiges of war must be all-inclusive and uniform in terms of death announcements, confirmation of cases of personnel missing or killed in action, turnover of the management of fallen combatants' tombs to the proper authorities, settlement of cases involving seriously disabled combatants, and commendations and awards based on actual work performances.

The Ministry of National Defense calls on the localities to develop their sense of duty by mobilizing manpower and material resources and by working with the armed forces in promptly and effectively resolving the vestiges of war. This is a very urgent socio-political task of great significance because it contributes not only to accelerating army-building activities but also to consolidating army-rear relations and strengthening national defense potentials.

Fourth Military Region Discusses Political Tasks

BK1603101190 Hanoi Domestic Service in Vietnamese 1400 GMT 12 Mar 90

[Text] The fourth military region has convened a political conference to thoroughly study the party Central Committee Military Commission's resolution and the various party-building activities and political tasks to be carried out by the military region in 1990. The conference unanimously concurred with the party Central Committee Military Commission's evaluation of the international and local situations and national defense in 1990.

As far as the local situation is concerned, the delegates noted the complicated development of the socioeconomic situation in 1989 and the serious consequences that the fourth military region had to suffer as a result of four major typhoons. Fifty percent of cadres' dependents have had difficulty making ends meet, while another 18 percent have encountered other difficult problems. However, generally speaking, the morale of local cadres and combatants still remains stable. Almost everyone has firmly maintained his political orientation and has displayed a good sense of duty and readiness to assume work assignments. On all three occasions, 100 percent of cadres and combatants asked to meet troop replenishment needs have responded without any complaints. There have been no reports of desertion so far. These results must be credited to the important contributions of those in charge of party-building work and political tasks.

A salient feature of last year's party-building work and political tasks rests with attempts to renovate the form and content of guiding principles to make them consistent with targeted areas as well as with efforts to closely combine experiences with concrete guidelines, to secure close cooperation between individual units and agencies, and to strictly follow the two important orientations set by the military region party committee in its resolution on shifting attention to grass-roots units and local military tasks in order to keep requirements and tasks consistent with the specific demands of each development stage.

Army Contributes to Mass Mobilization Work

BK1603141390 Hanoi Domestic Service in Vietnamese 2330 GMT 14 Mar 90

[Xuan Ngan article summarizing views contributed by Army units on the draft program of the party Central Committee's eighth plenum on mass mobilization work]

[Summary] Over the past three weeks, all military units of the entire Army have held conferences to study the party draft program on mobilization work and have contributed tens of thousands of ideas to this program in different contexts. Most of the ideas reflect the armed forces' sentiments toward and wishes for the party to quickly overcome its shortcomings in order to continue carrying out its historic missions. Many views held that since the Sixth Communist Party of Vietnam [CPV] Congress, the party and state have issued many resolutions, directives, laws, regulations, and policies to ensure social justice to speed up production development. However, unsatisfactory results were achieved. Others believed that leading cadres from the central level down to grass-roots units should conduct self-criticism on their shortcomings in order to set good examples for their subordinates.

Many cadres and combatants expressed the hope that the party Central Committee's eight plenum will issue a concrete resolution integrating all efforts of the party and state to strengthen and promote all activities of society. Comrade Tran Kien from the Army General Staff Office said: Many cadres who have held high positions for quite a long time have failed to match their words with their deeds, trying to protect their positions and interests while distancing themselves from the people. It is time for all cadres and party members to uphold the national interests and sacrifice for the people's well-being.

Comrades Nguyen Van from the V-5 Group of the Fourth Military Region, Hoang Tai from the National Defense Industrial General Department, Le Nam from the Fifth Military Region, and many other combatants said that there has been too much talk and little action for quite a long time, and thus we have not achieved all our tasks. They proposed that from now on, leading

cadres—ranging from secretaries, chairmen of people's committees of provinces and municipalities, ministers, deputy ministers, and director generals to leading comrades in the CPV Central Committee and the Council of Ministers—should seriously and openly conduct self-criticism. Those who made mistakes should be dealt with in accordance with the law. This will help restore the people's confidence in the party.

Many combatants said that the people have, for some time, shown their indignation at cadres in high positions and their families for leading luxurious lifestyles and living in big houses while many combatants, workers, and state personnel live in small huts and cottages. As a result, the party and state should issue regulations on housing for echelons of cadres, and should exert strict control over the distribution of houses to ensure social justice and to win the people's confidence. Many others said that the state banking sector has recently caused losses of hundreds of billions of dong in state property and that responsible persons like the director general of the central bank and directors of banks in provinces, municipalities, wards, and districts should be dealt with seriously. Other combatants touched on the sex scandal involving 103 cadres at the Duong Son Quan Restaurant and called on agencies concerned to mete out appropriate punishment.

Comrade Nguyen Van Chat from the Hoang Lien Son Army unit proposed that following each resolution of the party, the state should formulate concrete policies for effective implementation of the resolution. Some hailed the recent Council of Ministers decision on abolishing unnecessary checkpoints on roads and highways and denounced a number of localities and units for neglecting this decision in order to protect their own interests, thus damaging the people's confidence in the party and state. Many others proposed that the party Central Committee's eighth plenum clearly define the responsibilities borne by party organizations and echelons of the administration in erroneous acts so correct measures can be taken against them.

Many party positions and policies are correct and received strong support by the people. However, some echelons did not implement these policies in the pursuit of self-interests. At present, various tourist offices, hotels, and restaurants care only about profit, ignoring their responsibilities toward society. Some of these businesses even used prostitutes to attract clients. Unless the state promptly stops this practice, a number of cadres will become degenerate, thereby adversely affecting society in the immediate future and in the long term. It is obvious that social vices and negative phenomena in our society have not been stopped; rules and regulations have not been strictly observed for many years now. We cannot resolve all issues in a few days, but the party and state must concentrate their efforts to seriously and effectively settling some pressing problems to restore the people's confidence. It is better to score remarkable achievements in one task rather than carry out many tasks without success.

Capital Region Conference

BK1603133290 Hanoi Domestic Service in Vietnamese 1400 GMT 15 Mar 90

[Report by Dang Tran Vuong and Phan Van Toan]

[Summary] The Capital Military Region has recently held a conference for key cadres to directly contribute their opinions to the draft program of the party Central Committee's eighth plenum on renovating the party's mass mobilization work.

After Lieutenant General Chu Duy Kinh, secretary of the military region party committee, introduced the fundamental spirit of the draft program and noted the main issues to be discussed, leaders of various organs and units enthusiastically expressed their views. Colonel Trinh Thanh Van, deputy head of the military region Political Department, held that this resolution [meaning draft program after its adoption by the plenum] is suited to the situation and very necessary as it is designed to strengthen the party's leadership, the state's managerial role, and the people's right to mastery. This also reflects the party's policy of renovation. The party issues but does not impose the resolution; conditions are being created for the people to contribute their views. By issuing the resolution, the party does not downplay itself. This is because the people must serve as a firm and strong foundation for consolidating the party. It is necessary to make the people trust the party and vice versa to multiply our strength. At present, it is indeed true that the people do not trust the party in certain respects. Therefore, the party must make rectifications to restore the people's confidence.

Over the past 60 years, the masses have joined the party in making history, but the people have suffered the most. At present, some 87 percent of the peasants and 60 percent of the workers who directly engage in production have a low income. Consequently, the people do not have peace of mind. The party must pay attention to improving the living conditions of the laboring masses and realizing democracy and social equity. The resolution must make it clear that the force that decides the success of the revolution consists first of all of the working class, the peasantry, and the socialist intelligentsia instead of referring to the people in general. To bring into play the strength of the masses, the party should perfect the policy of subsidizing agricultural production so peasants will earn an income commensurate with their labor. In industry, adequate work should be created for workers to prevent the emergence of negativism from idleness.

Comrade Major General Cao Van Chan, head of the military region Political Department, suggested: The draft program must stress that the goal of socialism is to care for the interests of the laboring masses. Apart from that, attention should be paid to promoting education to improve the people's cultural standard and their knowledge of socialism. Colonel Tran Cong Due, headmaster of the military region's cultural school, added: "In the

part dealing with the situation in general, it is necessary to note that our people love the country and socialism. It is inaccurate to say that the state has not respected the people's right to mastery. It should be noted that the state has violated the people's right to mastery. Inaccurate assessment will lead to inaccurate rectification. The program presents too many viewpoints. It should be rewritten in a concise form so the people can easily memorize and understand it.

Major Tran Nan, deputy commander in charge of political affairs of Unit 781, said: In the program, it should be clearly stated that mass organizations set up by the people must be placed under the party's leadership. As far as soldiers are concerned, the state has yet to adopt specific measures and policies to ensure social equity. The problems and weaknesses of mass mobilization work stem not from the party's lines and viewpoints but from the conduct of a number of degenerate, degraded, and errant party members. Lieutenant General Lu Giang, deputy to the Eighth National Assembly, suggested that some terms used in the draft program be changed to suit the actual situation.

Roundup of Public Discussions on Party Program

BK1603160590 Hanoi VNA in English 1509 GMT 16 Mar 90

[Text] Hanoi VNA Mar. 16—"Since the 6th congress of the Communist Party of Vietnam in December 1986, none of the documents issued by the party has drawn such an interest and so stirring debates than the draft programme for the 8th plenum of the party Central Committee," notes the national daily NHAN DAN today in a summary of the debates.

The paper says that within a month, it received nearly 500 letters and comments from people of all walks of life besides a series of press articles and reports by its correspondents on the debates at different offices, branches and ministries as well as social, religious and mass organizations.

NHAN DAN goes on :

"First of all, all letters and articles sent to the press welcome the publication of the draft. This once again demonstrates the party's revolutionary nature and the mass character of the party. It is also a manifestation of the first and important change in the relationship between the party and people. The publication points to the party's consistent view that the people are the root in the implementation of the renovation policy."

Nguyen The Phan from the Institute of Marxism-Leninism said: "The submitting of the draft programme for public discussions before the holding of the plenum is a noteworthy step forward of our party on the path to democratization of social life."

Most of the suggestions sent to the daily NHAN DAN express the authors' wish that the plenum analyse the essence of the present relationship between the party and people. This is not only imperative but also a fundamental and strategic task of a party in power.

Referring to the party-people relationship, the public almost unanimously noted a certain decrease of the party's prestige among the masses. However, their perception of the extent of that decrease differs. They also affirmed that the close relationship between the party and people is a valuable tradition of Vietnam which actually constitutes the basis of the strength of the party and of the nation.

Nguyen Anh Vu, head of the Cultural and Information Service of An Giang province, said: "The party still maintains close ties with the people and the people still believe in the party. However, this confidence has been eroded due to malpractices of not a few party organizations and members. Over the past year, some good things achieved by the party have helped it regain part of this confidence."

Many speakers pointed to the reasons for the erosion of the people's confidence in the party. There are many, but foremost among them are the adoption of inappropriate policies which have prolonged injustice and the lack of democracy in society. Degenerated party cells and members, corruption, a decadent way of life, especially at economic enterprises, and contempt of the masses, mainly in the rural areas, are also some direct causes. Negative deeds have already penetrated even some legal or law-enforcement offices and also part of the armed forces.

Some affirmed that it would be unfair to put all the blame for the current difficulties on the party. Neither should the errors and mistakes of some party members be generalized and construed as the mistakes of the whole party. A letter from Dar Lac province in the Central Highlands referred to a meeting between the provincial authorities and representatives of local ethnic minorities. It wrote: "We accept no political pluralism or a multi-party system. We accept only the party of Uncle Ho. Those who do not follow Uncle Ho's teaching should correct themselves. That is all there is to it."

Many speakers and articles urged that the party reorganize itself, as was recommended by President Ho.

Pham Hong, a party member in the provincial town of Hai Hung, wrote to NHAN DAN: "To do what the people want and avoid what they don't, it is of first importance that the party and state reorganize their own apparatuses reorganizing the party to make the party worthy of being the political vanguard of society. [sentence as received] Reorganization should be understood in the broadest sense, that is to improve the intellectual and organisational capabilities and the moral standard of all party members without exception."

Many contributors said that in order to breach the gap between the party and the people, the mass mobilization work should begin with the fight against bureaucratism,

corruption, and contempt of the masses within party and state offices, socioecoonmic organizations and all organs of power.

On behalf of all pensioners in Dong Da precinct, Hanoi, Nguyen Minh Vi said: "We should redefine the functions, power and tasks of the party and mass organization and also redefine the relationship between the party, the administration and the people in order to ensure democracy and social equity."

Many held that the party still holds a paternalistic attitude towards the mass organization and more often than not, it imposes instead of persuading. Others urged that the party really respect the independence and self-management of the mass organizations.

Nguyen Thi Dinh Receives Award on 70th Birthday

BK1803074290 Hanoi Domestic Service in Vietnamese 2300 GMT 16 Mar 90

[Text] A solemn ceremony was held yesterday afternoon [16 March] at the Hanoi-based Vietnam Women's Union Central Committee headquarters to mark the 70th birthday of Comrade Nguyen Thi Dinh, vice-chairwoman of the Council of State and chairwoman of the Vietnam Women's Union, and to award her with the Ho Chi Minh Order for the meritorious service she has rendered to the party and the people's revolutionary cause. Attending the ceremony were Comrade Vo Chi Cong, Comrade Nguyen Huu Tho, many veteran female revolutionary cadres, Vietnam Women's Union cadres, and representatives of the Ba Vi Regiment of the 312th Division, which is the sister regiment of the Vietnam Women's Union.

On behalf of the Council of State, Chairman Vo Chi Cong presented Comrade Nguyen Thi Dinh with the distinguished order. Speaking on this occasion, Chairman Vo Chi Cong and Vice-chairman Nguyen Huu Tho highly valued the comrade's great contributions to the two protracted, arduous wars of resistance and to ongoing national construction. In their words, these contributions have further enhanced Comrade Nguyen Thi Dinh's prestige with the party and people. Comrade Nguyen Thi Dinh movingly expressed her gratitude to all compatriots and comrades who have assisted and protected her in the course of the arduous wars of resistance as well as in her subsequent work assignments, thus creating conditions for her to most effectively serve the interests of the nation and the people.

Ho Chi Minh City Resettles 300 Vagrant Families

BK1803120190 Hanoi Domestic Service in Vietnamese 1430 GMT 17 Mar 90

[Text] To find permanent homes for vagrants, Ho Chi Minh City last year resettled 300 poor families comprising more than 1,400 persons at state farms in Song Be Province and the Central Highlands' southern region. In the last two months of 1989, the city spent 225 million dong to resettle 150 families in these localities. As a result, the population of Duc Hanh State Farm, Song Be Province, has increased by 5.5 times since 1988. More than 73 percent of these people wish to live there permanently. Each family has been provided with rice varieties, subsidiary food and industrial crop seeds, and 4,000 square meters of land for cultivation. At state farms in the Central Highlands, peasants have had a bumper harvest of subsidiary food crops. In 1990, the city will resettle 1,000 homeless families in the region. With state funds, the city's labor, war invalids, and social welfare sector is making great efforts to zone off more areas for these families.

Insects Infest Winter-Spring Crops in Provinces

BK1703130890 Hanoi Domestic Service in Vietnamese 1430 GMT 16 Mar 90

[Text] Last week, insects such as leaf rollers, rice leaf beetles, brown planthoppers, white rice leafhoppers, and nigrospora oryzae and rice blast appeared in the areas of winter-spring rice and other crops nationwide. In Quang Binh and Quang Tri, small leaf rollers developed over the area of 15,000 hectares at the average density of 20-30 per square meter and of 50 per square meter at the highest spots. Larva were still hatching and the density would increase. In the northern provinces, due to a prolonged cold spell from late February to early March, insects were developing rather slowly. Rice blast was developing vigorously in Nghe Tinh over the area of gluey rice strain CR-203. Brown planthoppers and white back leafhoppers also appeared in Nghe Tinh, Quang Binh, and Ha Nam Ninh Provinces. Small leafrollers caused damage to 22,000 ha or more of winter-spring rice. Tien Giang Province had the highest density of 100 insects or more per square meter. Rice blast, nigrospora oryzae, brown planthoppers and white back leafhoppers also developed in the area of rice in the central coast provinces. Leaf yellows caused partial damage to rice in Tien Giang and Cuu Long Provinces.

Next week, these insects will continue to develop and cause damage to winter-spring rice and other crops. The Department of Crop Cultivation and Vegetation Protection urges northern localities to focus on weeding and spraying insecticide for the fifth-month-spring rice, especially the belatedly transplanted crop, to simultaneously plant the spring subsidiary food crops, to promptly detect pockets of insects for timely eradication, and to closely watch the development of stem borers. The southern provinces should promptly eradicate those still small pockets of insects by spraying insecticide to kill brown planthoppers, white back leafhoppers, rice worms, rice stemflies and rice thrips, especially the belatedly planted rice, and should prepare for sowing the summer-fall rice.

Accords on UN-Funded Civil Aviation Projects

BK1603103090 Hanoi VNA in English 1512 GMT 15 Mar 90

[Text] Hanoi VNA March 15—The documents of two projects funded by the United Nations Development Programme [UNDP] on development of civil aviation in Vietnam were signed here today by David Smith, UNDP representative in Hanoi, and Nguyen Hong Nhi, general director of the Vietnam General Civil Aviation Department.

The project VIE/88/023 to develop a civil aviation master plan aimed at modernizing and upgrading Vietnam's civil aviation will be technically supported by the International Civil Aviation Organization (ICAO), to which the UNDP contributes 658,000 US dollars and the Vietnamese Government, 200 million Vietnamese dong.

The other project, MIE/89/016, is aimed at strengthening aeronautical meteorological services for aviation safety, to which the UNDP will contribute 695,000 US dollars and the Vietnamese Government, 1.7 billion VN [Vietnamese] dong, while the World Meteorological Organization will provide technical assistance.

Speaking on this occasion, David Smith said:

"These projects will, overall, greatly strengthen civil aviation in Vietnam. The United Nations family of agencies is very happy indeed to be able to help in this sector which is of such importance for Vietnam's development."

SIDA-Assisted Seminar on Hospital Management

BK1703084690 Hanoi VNA in English 0702 GMT 17 Mar 90

[Text] Hanoi VNA March 17 - A seminar to assess hospital management in Vietnam at present has been held here by the Ministry of Public Health with assistance from the Swedish International Development Authority (SIDA).

It was attended by directors and vice-directors of more than 100 central and local hospitals of different sizes in northern Vietnam.

It was reported at the seminar that over the past decade or so, investment in those hospitals has always made up more than half of the public health budget. Meanwhile, since recently, when the Ministry issued orders allowing the hospitals to collect part of the hospital charge from in-patients and qualified medical practitioners to run private health services, about 13 percent of the public hospital beds have constantly been vacant.

The participants reached a consensus on the need to broaden the hospitals' medical services, particularly primary healthcare services, to all villages and communes, increase the scale of treatment of out-patients, and provide preventive and rehabilitative medicine guidance to the masses right at the grass-roots level.

They also proposed to the government to early approve the deployment of health insurance work on a national scale, and grant more financial autonomy to the Public Health Ministry.